

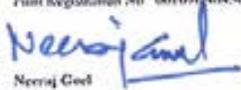
PayU Payments Private Limited  
Consolidated Balance Sheet as at 31 March 2022

	Note	(₹ in Lakhs, unless stated otherwise)	
		31 March 2022	31 March 2021
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	3A	63.25	193.09
Right of use assets	3B	2,030.30	2,233.25
Intangibles under development	3C	143.09	-
Goodwill	3D	75,069.72	75,069.72
Other intangible assets	3E	2,613.06	3,382.68
Investments	4	41,121.13	770.43
Financial assets			
- Other financial assets	5	238.63	238.52
Non-current tax assets (net)	7	4,416.60	2,355.19
Other non-current assets	8	4,914.65	1,742.21
<b>Total non-current assets</b>		<b>138,735.03</b>	<b>85,953.11</b>
Current assets			
Financial assets			
- Trade receivables	9	10,599.12	7,506.18
- Cash and cash equivalents	10	8,761.34	8,043.65
- Bank balances other than above	11	1,930.60	3,000.23
- Other financial assets	14	9,110.51	3,206.95
Current tax assets (net)	7	-	-
Other current assets	8	2,531.11	1,439.42
<b>Total Current Assets</b>		<b>32,932.65</b>	<b>32,256.43</b>
Non-current assets classified as held for sale	12,41	-	55,314.85
<b>Total current assets</b>		<b>32,932.65</b>	<b>77,571.28</b>
<b>Total assets</b>		<b>163,667.71</b>	<b>163,554.40</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity share capital	13	203,402.55	198,021.50
Other equity	14	(88,115.93)	(129,753.01)
Non Controlling Interest			2,441.69
<b>Total equity</b>		<b>115,886.62</b>	<b>71,310.37</b>
<b>LIABILITIES</b>			
Non-current liabilities			
Financial liabilities			
- Borrowings	19	4,283.39	4,283.39
- Lease Liability	37	1,645.72	2,047.97
- Other financial liabilities	18	1,203.62	286.65
Provisions	15	885.53	768.35
Other non-current liabilities	16	3,301.89	3,314.47
<b>Total non-current liabilities</b>		<b>11,510.15</b>	<b>11,300.33</b>
Current liabilities			
Financial liabilities			
to Borrowers	14	-	-
(i) Trade payable	17		
- Total outstanding dues of micro and small enterprises		157.63	5.39
- Total outstanding dues of creditors other than micro and small enterprises		4,464.78	1,367.90
Lease Liability	42	647.54	482.46
Other financial liabilities	18	12,962.44	50,884.19
Other current liabilities	16	13,738.69	6,899.76
Provisions	15	110.26	72.50
<b>Total current liabilities</b>		<b>37,660.94</b>	<b>61,655.79</b>
<b>Total liabilities</b>		<b>49,170.09</b>	<b>72,956.53</b>
Liabilities classified as held for sale		-	19,287.50
<b>Total equity and liabilities</b>		<b>163,667.71</b>	<b>163,554.40</b>

The accompanying notes are an integral part of the financial statements

1-52

In terms of our report of even date  
For Walter Chandek & Co LLP  
Chartered Accountants  
Firm Registration No. 00107600400013

  
Neeraj Goyal  
Partner  
Membership No. 099514

Place: Gurugram  
Date: 26 September 2022



For and on behalf of Board of Directors  
PayU Payments Private Limited

  
Anil Mehta

  
Ashish Mehta

CEO & Director

DIN - 0715754

Mumbai

26 September 2022

  
Manish Goyal

Gurugram

26 September 2022

  
Anuradha Aggarwal

Gurugram

26 September 2022



PayU Payments Private Limited  
Consolidated Statement of Profit and Loss for the year ended 31 March 2022

	Note	31 March 2022	31 March 2021
<b>Income</b>			
i) Revenue from operations	20	209,430.65	139,371.05
ii) Other income	21	3,036.94	1,812.93
		<b>212,467.59</b>	<b>141,183.98</b>
<b>Expenses</b>			
i) Cost of services	22	177,787.59	116,648.66
ii) Employee benefits expense	23	28,808.17	24,755.23
iii) Finance cost	24	715.01	656.71
iv) Depreciation and amortization expenses	25	1,575.51	1,952.63
v) Impairment loss	26	-	518.36
vi) Other expenses	27	13,964.84	8,487.37
		<b>222,941.12</b>	<b>153,818.96</b>
<b>Profit/(loss) before share of profit/(loss) of Associate, exceptional items and tax.</b>			
i) Share of profit/(loss) of an associate	46	(10,373.52)	(11,834.98)
Exceptional item:			
i) Profit on sale of non-current investments	41	45,724.45	-
		<b>35,188.83</b>	<b>(11,834.98)</b>
<b>Profit/(loss) before tax</b>			
<b>Tax expense</b>			
Current and deferred tax		-	-
<b>Profit/(loss) for the period from continuing operations.</b>			
<b>Profit/(loss) from discontinued operations</b>	41	(2,196.02)	(8,623.84)
<b>Tax expenses of discontinued operations</b>			
<b>Profit/(loss) from discontinued operations after tax</b>			
<b>Profit/(loss) for the period after tax</b>			
<b>Total Loss for the year</b>			
Loss attributable to:			
- Owners		33,113.23	(20,837.87)
- Non Controlling Interest		(120.41)	(420.95)
<b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss			
Share of profit/(loss) of an associate		(1.31)	-
- Remeasurements of the defined benefit plans		67.02	53.23
ii) Items that will be reclassified to profit or loss			
Other comprehensive income from discontinued operation		-	9.60
<b>Total other comprehensive income/(loss)</b>		<b>65.71</b>	<b>62.83</b>
<b>Other Comprehensive Loss attributable to</b>			
- Owners		65.71	62.30
- Non Controlling Interest		-	0.53
<b>Total comprehensive Profit/(loss) for the year</b>		<b>33,059.83</b>	<b>(20,895.99)</b>
<b>Total Comprehensive Loss attributable to</b>			
- Owners		33,113.23	(19,975.57)
- Non Controlling Interest		(120.41)	(420.42)
<b>Profit/(loss) per equity share [nominal value of equity share ₹ 10]</b>	30		
Basic and diluted (in ₹ per share)		1.75	(0.60)
The accompanying notes are an integral part of the financial statements.	1-52		

In terms of our report of even date,  
For Walker Chandrik & Co LLP  
Chartered Accountants  
Firm Registration No. 001076N/8500013

Neeraj Goel  
Partner  
Membership No. 099514

Place: Gurugram  
Date: 26 September 2022



For and on behalf of board of directors  
PayU Payments Private Limited

*Shrikant Mukherjee*  
Anil Mukherjee  
CEO & Director  
DIN - 07151585  
Mumbai  
26 September 2022

*Maneesh Goel*  
Maneesh Goel  
CFO  
DIN - 07636513  
Gurugram  
26 September 2022

*Anuradha Aggarwal*  
Anuradha Aggarwal  
Company Secretary  
Gurugram  
26 September 2022



(₹ in Lakh, unless stated otherwise)

	31 March 2022	31 March 2021
<b>A. Cash flow from operating activities</b>		
Loss after tax from continuing operations	35,100.33	413,834.99
Loss after tax from discontinued operations	(2,545.76)	(8,627.84)
<b>Adjustments for:</b>		
Loss on sale of property, plant and equipment	(45,724.41)	(7,364
Loss from Associate	142.10	
Depreciation and amortisation expenses	1,506.40	2,923.74
Impairment losses	-	896.69
Interest & Finance Charge	727.50	1,051.73
Foreign exchange loss/gain/adjustment	141.43	144.59
Provision for chargeback	-	-
Provision for employee benefits	-	-
Allowances (Fees/fees/Credit Losses)	-	-
Provision for grants, Share-based payment and ESOP	-	-
Interest income	(92.36)	(128.32)
Dividends	-	-
Capitalised foreign exchange losses	-	-
Bad debts	-	2,459.84
Provision for Tax and Dividend Balances and Advance Income tax as per ITR	-	-
Contribution to lease commitments and modifications	-	100.49
Amortisation for intangible	-	-
Share based compensation	-	1,065.86
<b>Operating Profit Before Write Line Capital Changes</b>	310,656.33	413,367.45
<b>B. Changes in working capital:</b>		
Investments for receivable, advances in operating assets	(11,499.53)	(1,951.51)
Trade receivables	737.81	123,304.70
Other financial assets	4,363.36	(8,721.09)
Other assets	16,275.44	324.63
Liabilities for increase/decrease in operating liabilities	-	-
Trade payables	4,287.79	(1,328.09)
Other financial liabilities	2,604.83	(2,200.80)
Other liabilities	4,670.07	7,701.83
Provisions	(219.88)	1,474.54
Cash passed out/generated from operations	(7,029.76)	28,812.22
Less Tax credits paid	(2,171.97)	2,353.86
<b>Net cash/used in/from operating activities</b>	(9,201.73)	31,458.37
<b>C. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment	-	-
- Purchased during the period	(196.43)	(137.74)
- Sold during the period	-	4.28
Interest income received	(3,612.35)	581.42
Gains/losses realised on sales/disposal of investments	-	-
Loss of Contingence of Subsidiary due to loss of control	(1,181.24)	-
Purchasing of investments	-	(3,264.49)
<b>Net cash used in/from investing activities</b>	(4,999.30)	(3,397.23)
<b>D. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity share capital	12,705.21	3,637.39
Proceeds from issue from long term and short term borrowing/loan	(3,483.92)	4,800.60
Proceeds from issue of preference share capital	-	-
Proceeds from capital during the year	-	4,713.35
Proceeds from repayment of short term borrowings	(3,000.00)	-
Payment of long term	(321.72)	(363.76)
Interest paid on borrowings	(449.36)	(119.83)
<b>Net cash flow from financing activities</b>	2,946.81	17,468.86
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(9,201.73)	(22,097.51)
<b>E. Cash and Cash Equivalents at the beginning of the year (refer note 12)</b>		
- from continuing operations	17,569.55	40,457.87
- from discontinued operations	8,441.65	8,260.39
<b>Cash and Cash Equivalents at the end of the year (refer note 12)</b>		
- from continuing operations	9,525.99	33,676.48
- from discontinued operations	8,561.34	17,569.55
<b>Cash and cash equivalents as per the cash flow statement</b>		
9,525.99	17,569.55	

Reconciling notes and integral part of the financial statement: A-52

Review of the statement of cash flows referred to in our report of 2021 date:

In accordance with section 197 of the Companies Act, 2013  
For Walter Bindt & Co LLP  
Chartered Accountants  
Date of Report: 26 September 2022

Neeraj Goyal  
Partner  
Mandarin No. 000013

For and on behalf of Board of Directors  
PayU Payments Private Limited

Arvind Bhalerao  
CEO & Owner  
DIN - 07137951  
Mumbai  
26 September 2022

Neeraj Goyal  
CFO  
DIN - 07636513  
Gurgaon  
26 September 2022

Anuradha Agarwal  
Company Secretary  
Gurgaon  
26 September 2022



Place: Gurgaon  
Date: 26 September 2022



V Equity share capital

Particulars	Amount
Balance as at 31 March 2020	196,908.73
+ Transfers in equity share capital during the year	1,712.83
Balance as at 31 March 2021	198,621.56
+ Transfers in equity share capital during the year	4,780.90
Balance as at 31 March 2022	203,402.55

VI Other equity

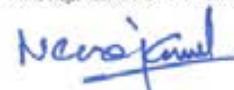
Particulars	Attributable to owners						Non Controlling interest	Total
	Statutory reserve sub 45IA RBI Act	Securities premium	Employee stock option plan reserve	Deemed capital contribution	Other comprehensive income reserve	Retained earnings		
Balance as at 31 March 2020	10.47	16,762.14	-	-	185.65	(119,113.36)	2,862.31	(109,292.79)
Loss for the year	-	-	-	-	(20,037.86)	(420.95)	(20,458.81)	-
Reconciliation of defined benefit obligations	-	-	-	67.30	-	0.53	67.83	-
Impairment of stock compensation expense	-	-	-	472.90	-	-	472.90	-
Transaction with Owners in their capacity as owners	-	-	-	-	-	-	-	-
Dividends received from allotment of shares	-	1,904.67	-	-	-	-	-	1,904.67
Transaction with non-controlling interest	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	10.47	18,666.81	-	472.90	247.95	(149,181.22)	2,441.89	(127,311.19)
Loss for the year	-	-	-	-	32,992.81	(120.41)	32,872.40	-
Reconciliation of defined benefit obligations	-	-	-	65.71	-	-	65.71	-
Securities premium on equity shares issued during the year	-	7,924.22	-	-	-	-	-	7,924.22
Impairment of stock compensation expense	-	-	-	454.41	-	-	454.41	-
Amortised due to loss of control	(10.47)	-	-	-	-	10.47	(2,321.48)	(2,321.48)
Balance as at 31 March 2022	-	26,591.83	-	927.31	313.65	(116,147.93)	-	(88,318.93)

The accompanying notes are integral part of the financial  
statements

1-52

This is the statement of changes in equity referred to in our report of even date

For Walter Chandhok & Co LLP  
Chartered Accountants  
Registration No: 001096N-N500013

  
Neeraj Goyal

Senior  
Member  
Membership No: 099514



26 September  
26 September 2022

For and on behalf of board of directors  
PayU Payments Private Limited  
CIN: U72400MH2006PTC29307

  
Anirudh Mukherjee  
CEO & Director  
DIN - 07157545  
Mumbai  
26 September 2022

  
Manesh Goyal  
CFO  
DIN - 07636513  
Gurgaon  
26 September 2022

  
Anikash Mehta  
Director  
DIN - 02654599  
Dubai  
26 September 2022

  
Anuradha Aggarwal  
Company Secretary  
Gurgaon  
26 September 2022



PayU Payments Private Limited  
Notes forming part of Consolidated Financial Statements

1 Corporate Information

PayU Payments Private Limited ("the Company or the Holding Company") was incorporated in India on 24 May 2006 and is domiciled in India. The Company is headquartered in Gurgaon, Haryana and is a subsidiary of MHI India (Mauritius) Limited. The Holding Company together with its only subsidiary i.e. PayU Finance India Private Limited (called "The Group") are engaged in the business of payment gateway services for e-commerce transactions, providing finance i.e. business lending credit by way of personal loan and deferred credit facility for short term duration.

2 Summary of significant accounting policies

2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time, stipulations contained in Schedule III (Revised) of the Act and other provisions of applicable laws. The Group has consistently applied the accounting policies to all periods presented in these financial statements, except as stated herein.

2.2 Basis of preparation

These consolidated financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company and its subsidiaries is the Indian Rupee ('').

The significant accounting policies used in preparation of the consolidated financial statements have been discussed in the respective notes.

2.3 Basis of consolidation

The Company consolidates all entities which are controlled by it. The Company establishes control when, it has power over the entity, is exposed, or has rights, to variable return from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

The company disposed of 100% of its holding in PayU Finance India Private Limited to PaySense Services India Pvt. Ltd., a company within a group for a consideration of INR 192,81,55,151.15 on 2nd June 2021.

The results of subsidiary sold during the year is consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate. As a result of disposal of aforementioned subsidiary identified as non-current asset held for sale, the company does not control any entity as on date of reporting 31st March 2022. However, the company has a significant influence as on 31st March 2022 over its former subsidiary, owing to investment in Compulsorily Convertible Preference Shares in PayU Finance India Private Limited.

2.4 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of consolidated financial statements and the reported amounts of income and expenses for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Group uses the following critical accounting estimates in preparation of its consolidated financial statements.

2.5 Revenue recognition

Sale of services is recognised as and when the performance obligation, as defined in Ind AS 115 -"Revenue from Contracts with Customers", is complete. Income is recognised net of Goods and Service Tax. Income from set up fees is recognised as and when services are rendered and revised as per the terms of the agreement.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's fair value on initial recognition. These incomes are recognised on accrual basis, except when there is uncertainty of collection.



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#### 2.6 Useful lives of property, plant and equipment

All items of PPE are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

#### 2.7 Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives specified in Part "C" of Schedule II of the Act, except for the following classes of fixed assets which are depreciated based on the internal assessment of the management as under:

Furniture and fixtures - 5 to 10 years

Office equipment - 3 years

Computers, data processing units and communication equipment - 3 years

Leasehold improvements are amortised over the period of the lease or the useful life (approximately 5 years), whichever is shorter.

The salvage value for the assets is considered to be nil and individual assets costing less than Rs. 5,000 are depreciated at the rate of 100%.

#### De-recognitation

An item of PPE is de-recognised on disposal or when no future economic benefits are expected from its use. Gains and losses arising from disposal of an item of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

#### 2.8 Intangible assets

##### Intangible assets acquired separately

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

##### Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

##### De-recognitation of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recogniton of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is de-recognised.

##### Useful lives of intangible assets

Intangible assets with a finite useful life are amortised using the straight-line method over the following periods:

• Trademark 10 years

• Customer relationship 12 years

#### 2.9 Impairment of PPE and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss:

, No impairment loss is recognised for the period.



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## 2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset or liability and a financial liability except an item of another entity.

### Financial assets

#### Level 3 and fair value through profit or loss

The Group recognises a financial asset to be followed short when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus or the cost of financial assets are measured at fair value through profit or loss (FVTPL), irrespective of the nature of the assets. When the fair value of a financial asset and fair recognition is different from its initial fair value, the difference between the fair value and the original cost is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through quoted market price in an active market for an identical asset (i.e., Level 1 input) or through a valuation technique that uses data from observable markets (i.e., Level 2 input). In case the fair value is not determined using a Level 1 or Level 2 input as mentioned above, the difference between the fair value and the cost is recognised in profit or loss in the Statement of Profit and Loss only to the extent that such gain or loss does not reflect a change in fair market price and is recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss does not reflect a change in fair market price. However, trade receivable that do not contain a significant financing component are measured at amortised cost.

#### Subsequent measurement

For subsequent measurement, the Group classifies a financial asset as soon as possible with (i) the Group's risk and reward for managing the financial asset, and (ii) the characteristics of the financial asset. Accordingly, the Group classifies all financial assets using the following categories:

##### a. Financial assets measured at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- i. the Group's business model focuses on managing the financial asset as held for financial assets in order to collect contractual cash flows, and
- ii. the contractual terms of the financial asset give rise to specified cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash receipts are initially discounted to the initial recognition date using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the money amount is added to the initial carrying value less of principal requirements, if any of the financial asset over the relevant period on the financial asset to arrive at the amortised cost of each reporting date.

The corresponding effect of the amortisation under effective interest method is recognised as interest income over the relevant period on the financial asset and is included under "Other income" in the Statement of Profit and Loss.

The carrying amount of a financial asset is also adjusted for loss allowance, if any.

b. Financial assets measured at fair value through comprehensive income (FVOCI)

A financial asset is measured at fair value through comprehensive income (FVOCI) if both of the following criteria are met:

- i. the Group's business model focuses on managing the financial asset as held for financial assets in order to collect contractual cash flows and
- ii. the contractual terms of the financial asset give rise to specified cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such items of assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Other Comprehensive Income (OCI). However, the Group recognises income and impairment losses and reversals of the Statement of Profit and Loss. On Derecognition of such financial assets, cumulative gains or loss previously recognised in OCI is released in the Statement of Profit and Loss.

c. Financial assets measured at FVTPL

A financial asset is measured at fair value through profit or loss (FVTPL) as explained above. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss.

## 2.11 Derecognition of financial assets

A financial asset, where applicable, is part of a financial asset or part of a group of assets if financial assets are derecognised from the balance sheet when one of the following occurs:

- i. The Group transfers or ends the rights from the financial asset owner.
- ii. The Group transfers its economic rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of the financial asset.

- iii. The Group fails to fulfil its legal obligation to receive cash flows from the financial asset owner, failing to meet its contractual duty to use reasonable diligence to do so throughout the reporting period.

- iv. The Group neither transfers nor retains substantially all risks and rewards of ownership nor does not have control over the financial asset. The extent where the Group has transferred substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognise such financial asset in the extent of its continuing involvement in the financial asset. In this case, the Group may recognise the asset as held for financial assets.

On the derecognition of a financial asset (except as mentioned in (i) above for financial assets measured in FVTPL), the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.

## 2.12 Impairment of financial assets

The Group applies IAS 39 (revised 2017) for measurement and recognition of impairment losses on financial assets having an identifiable cash-generating unit (hereinafter referred to as "asset group") and impairment losses on other financial assets (FVTPL).



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### 2.13 Trade receivables

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. In case of other assets mentioned above, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance. Subsequently, if the credit quality of the financial assets improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL, which result from default events that are possible within 12 months from the reporting date.

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

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

### 2.14 Loan assets

The Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12-month PD) or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD values by type of counterparty, type, and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) - EAD is based on the amount of outstanding exposure as on the assessment date on which ECL is computed including undrawn amounts in respect of Letters of Credit.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

### 2.15 Financial liabilities and equity instruments

#### Financial liabilities

##### Initial recognition and measurement:

The Group recognises a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument.

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e., level 1 input) or through a valuation technique that uses data from observable markets (e.g., level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

##### Subsequent measurement

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method, whereby, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability and is included under finance cost in the Statement of Profit and Loss.

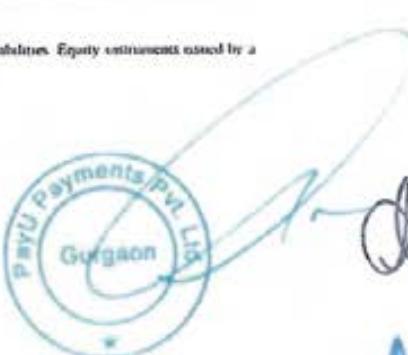
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such 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 and Loss.

##### Classification as debt or equity

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

##### Equity instruments

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



## 2.10 Fair value

The Group measures financial instruments fair value in accordance with the fair value, which is defined above. Fair value is the price that would be received for 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 principle that the transaction price may differ from the debit value place on

or for a similar position for the asset or liability.

In the absence of a principal market, in the most appropriate market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, the categories being:

Level 1 — quoted prices in active markets for identical assets or liabilities.

Level 2 — quoted prices in active markets for similar assets or liabilities.

Level 3 — inputs that are unobservable for the asset or liability.

For assets and liabilities that are re-measured in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels of the hierarchy by re-assessing categorisation at the end of each reporting period with relevant disclosures.

## 2.11 Critical path approach

Costs that are significantly expected to affect fair value in both other dimensions despite such direct influence of data model or less and highly input sensitive that are read in the model. The following analysis of costs and which are subject to an independent audit of changes in value.

## 2.12 Provisions and Contingencies

Provisions are recognised when the Group has a present legal or constructive obligation (a legal or constructive obligation is an outcome of events, it is probable that an outcome of events will

be incurred and the obligation and the time of discharge can be estimated.

The amount recognised at a period is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, using current cash flows and information summarising the obligation. When a provision is measured using the cash flows estimated to settle the present obligation by carrying forward in the present value of those cash flows (plus the effect of the time value of money if material). When some or all of the estimated cash flows are not yet settled, the amount recognised is the present value of the cash flows expected to be recovered from a third party, a receivable re-estimated as an asset if it is virtually certain that cash flows will be received and the origin of the receivable can be measured reliably.

A provision for contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is recognised.

## 2.13 Segment Reporting

Operating segments are reported in accordance with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

## 2.14 Employee benefits

The Group grants short-term option-like compensation rights (SOARs) to the employees of the Group under short-term equity participation plans. In accordance with the Guidance Note on Accounting for Employee Share-based Payment, the Group has recognised an employee benefit expense in the Statement of Profit and Loss, representing the fair value of short options (SOARs) granted to the employees of the Group. For each settled plan, the Group recognises the fair value of the recognised liability at each reporting date and at the date of settlement, with any change in fair value recognised in the Statement of Profit and Loss for the period.

### 2.14.1 Short-term employee benefits

Employee benefits and expenses, including short-term benefit that are expected to be settled wholly or in part within 12 months after the end of the period in which the employee renders the related services are recognised in respect of employee benefits 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 reflected as current employee benefit obligations in the balance sheet.

### 2.14.2 Post-employment benefits

#### 2.14.2.1 Defined contribution plan

The Group has provided fund contributions to the defined contribution fund (Pension Fund Protection Fund and Kredietgarantiefonds). On 1.1.2012, the Group has no further post-employment benefits due to contributions have been paid. The contributions are accounted for as defined contribution plan and its contributions are recognised as employee benefit expense in the Statement of Profit and Loss when they are due.

#### 2.14.2.2 Defined benefit plan

##### 2.14.2.2.1 Short-term defined benefit plan

The liability recognised in the balance sheet in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period that the fair value of plan assets. The defined benefit obligation is calculated annually by actuarial using the projected unit credit method. The projected unit credit method is similar to a fund administered by the Life Insurance Commission of India.

The present value of the defined benefit obligation is determined by dividing the estimated future cash outlays by reference to market value at the end of the reporting period of present and future cash flows commencing in the term of the related obligation. The estimated future cash outlays are discounted using market rate of interest determined by reference to high-quality corporate bonds.

The actuarial rate is calculated by applying the discount rate to the fair value of the defined benefit obligation and the fair value of plan assets. The cost of employee benefit expense on the fair value of plan assets and losses arising from adverse adjustments and changes in actuarial assumptions are recognised in the period in which they occur.

Changes in the fair value of the defined benefit obligation resulting from plan amendments or settlements are recognised separately of parts of the cost of the plan.

Changes in the fair value of the defined benefit obligation resulting from plan amendments or settlements are recognised separately of parts of the cost of the plan.

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## 2.22 Leases

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.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Group's incremental borrowing rate. Generally, the Group uses an incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- Amounts expected to be payable under a residual value guarantee, and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment' and lease liabilities in 'Leases and borrowings' in the Balance Sheet (Refer note 42).

### Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases for office premises that have a lease term of less than 12 months. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

## 2.23 Foreign currency transactions

In preparing the financial statements of the Group, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, outstanding monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on monetary items on acquisition, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

## 2.24 Income tax

The income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or items recognised directly in equity or in OCI.

### i) Current tax

Current tax is computed in accordance with the relevant applicable tax regulations and measured using tax rates enacted or substantively enacted by the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

### ii) Deferred tax

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise these temporary differences and losses.

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

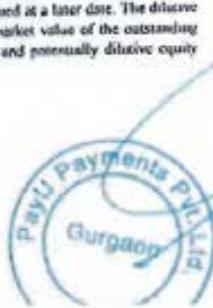
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity).

## 2.25 Earnings Per Share (EPS)

EPS, earnings per share is calculated by dividing the profit/loss attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share comprising after adjusting the amounts used in the determination of basic earnings per share to take into account, the after income tax effects of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been normally issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for employee share options against the share capital of the Group and bonus shares, if any, as appropriate.



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## 2.26 Non-current assets or disposal groups held for sale and discontinued operations

### Non-current assets or disposal held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such assets or disposal groups are classified only when both the conditions are satisfied:

- The sale is highly probable, and
- The asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-current assets or disposal group are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet. Upon classification, non-current assets or disposal group held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets which are subject to depreciation are not depreciated or amortised once those classified as held for sale.

### Disposal of Non Current assets held for sale

Investment in subsidiary PayU Finance India Pvt. Ltd that was classified as non-current assets held for sale in the previous year has been disposed of during the year.

The disposal has resulted in loss of control over subsidiary.

As per para 25 of Ind AS 110 Consolidation, If a parent loses control of a subsidiary, the parent

a) deconsolidates the assets and liabilities of the former subsidiary from the consolidated balance sheet

b) recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant Ind ASs. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with Ind AS 109 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture

c) recognises the gains or loss associated with the loss of control attributable to the former controlling interest

### Discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

## 2.27 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the jointly agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries. The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investors is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long-term interests that in substance form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. PayU India private limited exercises significant influence over PayU Finance India Pvt. Ltd as a result of owing 27,100,377 compulsorily convertible preference shares in the company.



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PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

3.A Property, plant and equipment  
For the year ended 31 March 2022

Description	Gross carrying value as at 01 April 2021	Additions	Disposal/ adjustments	Gross carrying value as at 31 March 2022	Accumulated depreciation as at 01 April 2021	Additions	Disposal/ adjustments	Accumulated depreciation as at 31 March 2022	Carrying value as at 31 March 2022
Leasehold improvements (building)	683.69	-	-	683.69	541.20	109.59	-	650.79	32.90
Furniture and fixtures	46.17	8.36	-	54.53	43.92	3.54	-	46.45	8.07
Office equipment	633.85	1.12	-	634.97	609.69	19.40	-	629.09	5.88
Computers, data processing units and communication equipment	1,426.56	8.75	-	1,435.29	1,405.36	15.53	-	1,418.89	16.40
<b>Total</b>	<b>2,790.27</b>	<b>18.21</b>	<b>-</b>	<b>2,808.48</b>	<b>2,597.17</b>	<b>148.06</b>	<b>-</b>	<b>2,745.13</b>	<b>63.25</b>

For the year ended 31 March 2021

Description	Gross carrying value as at 01 April 2020	Additions	Disposal/ adjustments	Gross carrying value as at 31 March 2021	Accumulated depreciation as at 01 April 2020	Additions	Disposal/ adjustments	Accumulated depreciation as at 31 March 2021	Carrying value as at 31 March 2021
Leasehold improvements (building)	683.69	-	-	683.69	431.61	109.59	-	541.20	142.49
Furniture and fixtures	52.67	-	(6.50)	46.17	43.66	5.84	(6.58)	42.92	3.35
Office equipment	652.40	-	(18.55)	633.85	574.80	52.95	(18.05)	609.69	24.16
Computers, data processing units and communication equipment	1,411.56	15.00	-	1,426.56	1,375.93	27.43	-	1,403.36	23.19
<b>Total</b>	<b>2,800.32</b>	<b>15.00</b>	<b>(25.05)</b>	<b>2,790.26</b>	<b>2,425.80</b>	<b>195.81</b>	<b>(24.44)</b>	<b>2,597.17</b>	<b>193.09</b>



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PayU Payments Private Limited  
 Notes to Consolidated Financial Statements for the year ended 31 March 2022

3B Right of use assets

(₹ in Lakh, unless stated otherwise)

Description	31 March 2022	31 March 2021
Carrying amounts of:		
Right-of-use assets	2,070.30	2,233.25
Total	2,070.30	2,233.25
Year ended 31 March 2022		
Description	Building	Computer
Cost or deemed cost		
Balance as at 01 April 2021	2,886.77	344.12
Additions during the year	-	579.90
Disposals	(82.42)	-
Balance as at 31 March 2022	2,804.35	924.02
Accumulated depreciation		
Balance as at 01 April 2021	800.38	197.26
Depreciation charge for the year	405.39	255.04
Balance as at 31 March 2022	1,205.77	452.30
Closing net carrying amount	1,598.58	471.72
Year ended 31 March 2021		
Description	Building	Computer
Cost or deemed cost		
Balance as at 01 April 2020	3,572.68	311.76
Additions during the year	138.98	32.36
Disposals	(824.89)	-
Balance as at 31 March 2021	2,886.77	344.12
Accumulated depreciation		
Balance as at 01 April 2020	585.70	82.28
Depreciation charge for the year	549.12	114.98
Disposals	(334.44)	-
Balance as at 31 March 2021	800.38	197.26
Closing net carrying amount	2,086.39	146.86

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PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

(₹ in Lakh, unless stated otherwise)

36. Intangibles under development  
For the year ended 31 March 2022

Particulars  
Capital work-in-progress  
Total Capital work-in-progress

	31 March 2022	31 March 2021
Capital work-in-progress	143.09	-
Total Capital work-in-progress	143.09	-

Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
BHPS software development	143.09	-	-	-	143.09
Total Capital work-in-progress	143.09	-	-	-	143.09

For capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2022 and March 31, 2021

Particulars	To be completed in				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in Progress	143.09	-	-	-	143.09
BHPS software development	143.09	-	-	-	143.09
Total Capital work-in-progress	143.09	-	-	-	143.09

37. Goodwill  
For the year ended 31 March 2022

Description	Goodwill
Balance as at 31 March 2020	75,069.73
Assets included in disposal group classified as held for sale (refer note 11)	-
Adjustments	-
Impairment	-
Balance as at 31 March 2021	75,069.73
Assets included in disposal group classified as held for sale (refer note 11)	-
Adjustments	-
Impairment	-
Balance as at 31 March 2022	75,069.73

38. Other Intangible assets  
For the year ended 31 March 2022

Description	Computer softwares	Trademark	Customer relationship	Total
Gross carrying value as at 01 April 2021	4,152.91	1,727.00	4,780.00	10,659.91
Additions during the year	-	-	-	-
Disposal adjustments	-	-	-	-
Gross carrying value as at 31 March 2022	4,152.91	1,727.00	4,780.00	10,659.91
Accumulated amortisation as at 01 April, 2021	3,558.57	1,285.00	2,433.66	7,277.23
Additions during the year	419.35	68.88	278.79	367.02
Impairment	-	-	-	-
Disposal adjustments	-	-	-	-
Accumulated amortisation as at 31 March 2022	3,977.92	1,353.88	2,712.45	8,044.25
Carrying value as at 31 March 2022	174.99	373.12	2,067.55	2,615.66

For the period ended 31 March 2021

Description	Computer softwares	Trademark	Customer relationship	Total
Gross carrying value as at 01 April 2020	4,152.91	1,727.00	4,780.00	10,659.91
Additions during the year	-	-	-	-
Disposal adjustments	-	-	-	-
Gross carrying value as at 31 March 2021	4,152.91	1,727.00	4,780.00	10,659.91
Accumulated amortisation as at 01 April, 2020	2,396.86	1,114.40	2,154.89	5,666.15
Additions during the year	731.35	82.60	278.79	1,092.72
Impairment	430.36	55.00	-	515.36
Disposal adjustments	-	-	-	-
Accumulated amortisation as at 31 March 2021	3,558.57	1,285.00	2,433.66	7,277.23
Carrying value as at 31 March 2021	594.34	442.00	2,146.34	3,182.68



PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

(₹ in Lakh, unless stated otherwise)

	31 March 2022	31 March 2021
<b>4 Investment</b>		
Unquoted investments carried at cost		
27,100.277 (Fully paid up compulsorily convertible preference shares of ₹ 10 each) in PayU Finance India Private Limited (2021 : 27,100.277)	30,118.44	-
Deemed investment in PayU Finance India Private Limited - Value of guarantees issued to third parties	1,232.26	-
Unquoted investments carried at fair value through Other Comprehensive Income		
Fully paid equity shares of ₹ 10 each - 61,320 (2021 : 61,320) (Fully paid up equity shares	770.18	770.18
Fully paid equity shares of ₹ 10 each - 2,510 (2021 : 2,510) (Fully paid up equity shares of	0.25	0.25
	<u>41,121.13</u>	<u>770.43</u>
<b>5 Other financial assets</b>		
Non-current		
Security deposits	238.63	236.52
	<u>238.63</u>	<u>236.52</u>
Current		
Security deposits	28.85	121.61
Commission receivable	3,439.97	348.78
Other receivables	5,641.69	2,626.52
Interest accrued on other deposits	9,110.51	108.04
	<u>9,349.14</u>	<u>3,206.95</u>
<b>6 Deferred tax assets/liabilities (net)</b>		
Deferred tax assets/(liabilities) consists of		
Book-tax depreciation difference	(18,670.38)	(10,663.39)
Employee benefits	813.10	659.20
Carry forward of business loss	12,980.87	12,415.84
Unauthorised depreciation	13,431.79	13,092.63
Allowance for doubtful trade receivables	217.63	136.78
Deferred tax assets (net)	<u>8,773.11</u>	<u>15,640.86</u>
Deferred tax assets recognised	-	-
Note: In view of conservatism and the absence of reasonable certainty that future taxable profits will be available against which temporary differences can be utilised, no deferred tax assets have been recognised on any temporary differences and unused tax losses.		
<b>7 Tax assets (net)</b>		
Non-current		
TDS recoverable	4,498.60	2,355.19
	<u>4,498.60</u>	<u>2,355.19</u>
<b>8 Other assets</b>		
Non-current		
Prepaid expenses	49.26	54.05
Advance payment to t2SOPI trust	4,264.89	1,688.18
	<u>4,914.65</u>	<u>1,742.23</u>
Current		
Trade advances	648.05	917.49
Less: Allowance for bad and doubtful advances	-	-
	<u>648.05</u>	<u>917.49</u>
Prepaid expenses	581.98	401.62
Balance with government authorities	1,147.00	116.24
Provision against Service tax receivable	(87.66)	(87.66)
Other receivable	241.74	91.73
	<u>2,531.11</u>	<u>1,439.42</u>



R.   PayU Payments Pvt. Ltd. Gurgaon 

31 March 2022 31 March 2021

9. Trade receivables <sup>(a)</sup> (Refer note 31 for amounts due from other related parties)						
Unsecured, considered good:						
Trade receivables	10,599.12	7,506.18				
Less: Allowance for bad and doubtful debts	<u>10,599.12</u>	<u>7,506.18</u>				
 A. Contract balances						
Trade receivables	10,599.12	7,506.18				
Contract liabilities						
Advance from customers	+ 44.87	44.87				
 B. Movement in contract liabilities balances during the year						
Contract liabilities						
Opening balance	44.87	39.33				
Add: Addition during the year	+ 5.54					
Less: Adjusted during the year	<u>44.87</u>	<u>-</u>				
Closing balance	<u>-</u>	<u>44.87</u>				
 Trade receivable ageing						
	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
9. Undisbursed Trade receivables - considered good	8,14.61	839.17	316.39	258.14	410.33	10,599.11
	5,662.01	536.92	399.97	637.73	267.54	7,506.18

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(₹ in Lakhs, unless stated otherwise)

	31 March 2022	31 March 2021
<b>10 Cash and cash equivalents</b>		
Balances with banks	8,211.34	4,893.65
Deposit with original maturity of less than 3 month	550.00	3,150.00
	<u>8,761.34</u>	<u>8,043.65</u>

	31 March 2022	31 March 2021
<b>11 Bank balances other than above</b>		
Balances in banks*	1,713.66	1,714.75
Deposit with original maturity of less than 3 months**	35.60	85.02
Balance with bank in term deposits with maturity more than 3 months**	181.34	260.46
	<u>1,930.60</u>	<u>2,060.23</u>

\* Represents amounts held in Citrus wallet by customers. (Refer note 18)

\*\* Represents amount pledged with banks for corporate guarantees, chargebacks and other purposes.

	31 March 2022	31 March 2021
<b>12 Disposal Group held for sale</b>		
Assets classified as held for sale	-	55,314.85
Liabilities classified as held for sale	-	(19,287.80)
	<u>-</u>	<u>36,027.85</u>

\* The group of assets has been sold during the year. Refer Note 41

	31 March 2022	31 March 2021
<b>13 Equity share capital</b>		
Authorised share capital		
2,500,050,000 (2021: 2,500,050,000) Equity shares of ₹ 10 each	250,005.00	250,005.00
999,950,000 (2021: 999,950,000) Preference shares of ₹ 10 each	99,995.00	99,995.00
Issued, subscribed and paid up capital		
Equity shares		
2,034,025,484 Equity shares of ₹ 10 each (2021: 1,986,215,565) fully paid up	203,402.55	198,621.56
	<u>203,402.55</u>	<u>198,621.56</u>
	<b>Number of shares</b>	<b>Number of shares</b>
Reconciliation of the number of equity shares		
Balance at the beginning of the year	1,986,215,565	1,969,037,251
Add - Issued during the year (Refer note 29)	47,899,919	17,128,314
Balance at the end of the year	<b>2,034,025,484</b>	<b>1,986,215,565</b>

**Rights attached to equity shares:**

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

**Rights Issue:**

During the year the company has issued shares at various instances details of which are as follows:

Particulars	No. of shares	Premium	Allotment date
Shares allotted to PayU Global B.V.	17,282,197	11.12	27-May-21
Shares allotted to PayU Global B.V.	24,323,516	11.12	7-Oct-21
Shares allotted to MII Payments Holdings B.V.	6,204,206	52.76	14-Mar-22

**Details of shares held by each shareholder holding more than 5% shares :****Name of shareholder**

<b>MII India (Mauritius) Limited (Parent Company)</b>			
No. of shares	1,462,854,267	1,462,854,267	
Holding %	71.92%	73.08%	
<b>MII Payments Holding B.V.</b>			
No. of shares	571,171,217	-	
Holding %	28.08%	-	
<b>PayU Global B.V.</b>			
No. of shares	-	523,301,297	
Holding %	-	26.35%	

**Shares held by promoters at the end of the year**

Promoter name	No. of Shares	% of total shares	% Change during the year
MII India (Mauritius) Limited (Parent Company)	1,462,854,267	71.92%	+1.73%
MII Payments Holding B.V.	571,171,217	28.08%	28.08%
<b>Total</b>	<b>2,034,025,484</b>	<b>100.00%</b>	<b>26.35%</b>



## 14 Other equity

(Refer Statement of Changes in Equity)

Securities premium	26,591.03	18,666.81
Retained earnings (PL)	(116,147.93)	(149,151.22)
Retained earnings (OCI)	313.65	247.95
Statutory reserve	-	10.47
Capital reserve	-	-
Deemed capital contribution	927.31	472.90
	<u><u>(88,315.93)</u></u>	<u><u>(129,753.08)</u></u>

## Description of nature and purpose of each reserve

## Securities premium

Securities premium is used to record the premium (excess over face value) on issue of shares, which will be utilised in accordance with provisions of the Act.

## Retained earnings

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

## Capital reserve

Capital reserve represents the difference between value of the net assets transferred in the course of business combinations and the consideration received for such combinations.

## Deemed capital contribution

Under the employee share based payment plans, an employee of the Company was granted stock options of the Naspers Limited. The plan was assessed, managed and administered by Naspers Limited. The plans granted to employees were equity settled. The Company accrued for these grants as equity settled by debiting employee stock compensation expense and crediting deemed capital contribution in equity.



Page 11 Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

### 1.5 Perspectives

Non-current	466.51	404.65
Non-current assets	419.02	360.20
Grainary (Refer note 28)	885.53	708.35
Current	66.23	38.33
Current assets	53.03	33.97
Grainary (Refer note 28)	119.26	72.50

## 16. Other Variables

Non-current	3,301.89	3,314.47
Employee stock options plan payable (Refer note 27)	3,301.89	3,314.47
Current		44.87
Advance from customers	9,928.79	6,468.98
Employee stock options plan payable (Refer note 27)		
Other liabilities	1,022.42	501.25
- Securay deposits received from merchants	1,287.49	1,391.66
Customer liabilities	13,720.69	8,892.76

### 5.7 Circle numbers

Trade payables	157.63	\$ K
- Trade and financing dues of micro and small enterprises (Refer note 39)	4,464.39	
- Trade receivables dues of creditors other than micro and small enterprises	4,622.01	

17. Talmudic Studies

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Particulars	Year end	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables	31 March 2022	157.63	-	-	-	157.63
	31 March 2021	8.89	-	-	-	8.89
Trade Payables	31 March 2022	4,434.53	52.53	-	-	4,486.96
	31 March 2021	1,286.72	21.16	-	-	1,307.88
Total Trade Receivables	31 March 2022	4,592.46	52.53	-	-	4,644.99
	31 March 2021	1,295.61	21.16	-	-	1,316.77

A circular library stamp with the text "COLLEGIO DI PIAZZA" at the top and "1945 GENOVA" in the center. On the left, there is a handwritten signature "F. P." and on the right, another handwritten signature "H. P.".

**PayU Payments Private Limited**  
**Notes to Consolidated Financial Statements for the year ended 31 March 2022**

(₹ in Lakh, unless stated otherwise)

31 March 2022      31 March 2021

**18 Other financial liabilities**

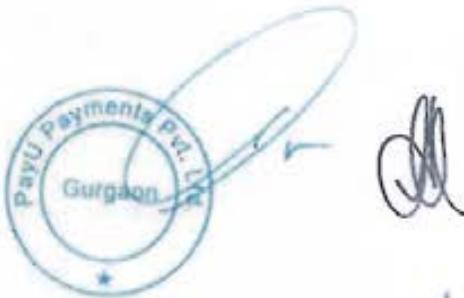
Non-current	31 March 2022	31 March 2021
Interest accrued but not due on borrowings	1,203.62	886.65
	<hr/>	<hr/>
	1,203.62	886.65
Current		
Payable for cost of services	5,974.53	3,235.23
Consideration received in advance for sale of investment	-	39,281.83
Employee payable	1,947.32	1,310.06
Challan payable	864.65	543.43
Employee benefits payable	2,225.66	1,778.13
Amount refundable to consumers	1,713.66	1,714.75
Payable to related parties	1,684.78	652.16
Other liabilities	3,552.84	2,368.56
	<hr/>	<hr/>
	17,963.44	50,884.19

**19 Borrowings**

31 March 2022      31 March 2021

Unsecured	31 March 2022	31 March 2021
Non-current borrowings	4,283.39	4,283.39
Debtors		
(4,283.39) 8% debentures of ₹ 100 each, maturing on 13 June 2023, fully and compulsorily convertible into equity shares to be converted at the end of 5 years, i.e., 13 June 2028 at the fair value of equity shares to be determined at the time of redemption, along with interest accrued thereon - also refer note 24)	4,283.39	4,283.39
	<hr/>	<hr/>
Current borrowings	+	+
	<hr/>	<hr/>

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PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

(₹ in Lakhs, unless stated otherwise)

	31 March 2022	31 March 2021
<b>20 Revenue from operations</b>		
Sale of services	207,658.69	137,874.65
Other operating revenues		
- Setup and integration fees	180.61	148.11
- Payment gateway support services	<u>1,641.35</u>	<u>1,398.29</u>
	<u><u>209,480.65</u></u>	<u><u>139,371.05</u></u>
<b>Disaggregation of revenue</b>		
Revenue mainly comprises sale of services. All customers of the Company are located within India. The disaggregation of the Company's revenues from contracts with customers is given below.		
<b>Particulars</b>		
Revenue from contracts with customers		
(i) Sales of services	207,658.69	137,874.65
(ii) Other operating revenue	<u>1,821.96</u>	<u>1,546.40</u>
<b>Total revenue covered under Ind-AS 115</b>	<u><u>209,480.65</u></u>	<u><u>139,371.05</u></u>
<b>Note: Control in all revenue transactions is transferred at a point in time.</b>		
<b>21 Other income</b>		
Interest income		
- Bank deposits	92.36	73.98
- Income tax refunds	210.77	446.00
- Security deposits	10.55	23.23
Gain on disposal of property plant and equipment, net	<u>2,767.26</u>	<u>1,260.72</u>
Miscellaneous income	<u><u>3,086.94</u></u>	<u><u>1,812.93</u></u>
<b>22 Cost of services</b>		
Payment gateway cost	172,510.15	112,963.15
Hosting and bandwidth expenses	2,621.81	2,125.93
Other cost of services	<u>2,655.63</u>	<u>1,559.58</u>
	<u><u>177,787.59</u></u>	<u><u>116,648.66</u></u>
<b>23 Employee benefits expense</b>		
Salaries and allowances	21,359.95	15,266.48
ESOP expenses (Refer note 29)	6,272.29	8,588.86
Gratuity expense (Refer note 28)	245.90	219.61
Contributions to provident and other funds (Refer note 28)	873.86	614.54
Staff welfare expenses	<u>146.17</u>	<u>65.71</u>
	<u><u>28,898.17</u></u>	<u><u>24,755.23</u></u>
<b>24 Finance costs</b>		
Interest expense	437.07	413.74
Other finance cost		
- Lease	261.07	242.97
- Security deposit	<u>16.87</u>	<u>656.71</u>
	<u><u>715.01</u></u>	<u><u>656.71</u></u>



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Notes to Consolidated Financial Statements for the year ended 31 March 2022

(₹ in Lakh, unless stated otherwise)

31 March 2022      31 March 2021

<b>25 Depreciation and amortisation expenses</b>		
Depreciation on intangible assets (refer note 3A)	148.06	195.81
Depreciation on right of use asset (refer note 3B)	660.43	664.10
Amortisation on intangible assets (refer note 3E)	767.02	1,092.72
	<b>1,575.51</b>	<b>1,952.63</b>
 <b>26 Impairment of non current assets</b>		
Impairment of intangibles	-	518.36
	<b>-</b>	<b>518.36</b>
 <b>27 Other expenses</b>		
Advertisement and sales promotion	712.22	357.36
Acquisition related cost	410.02	
Auditors' remuneration	33.92	30.51
- Statutory audit fees	30.35	26.00
- Fees for other services	2.20	3.60
- Reimbursement of expenses	1.37	0.91
Bad debt	86.76	77.16
Provision for doubtful debt		180.32
Communication	102.58	138.68
Conference costs	15.38	4.28
Electricity	43.78	59.53
Insurance	81.36	17.83
Legal and professional	1,885.81	1,499.10
Loss on foreign currency transactions and translations, net	141.43	114.67
Management service charge	7,854.09	4,512.45
Office maintenance	163.10	1.18
Provision for chargeback	321.22	41.85
Rates, taxes and fees	37.95	171.15
Recruitment	113.54	189.94
Rent	92.12	22.95
Repairs and maintenance	440.44	425.65
Staff cost on contract	427.52	202.74
Subscription charges	284.92	122.20
Travelling and conveyance	227.84	29.74
Miscellaneous	488.81	258.05
	<b>13,964.84</b>	<b>8,487.37</b>

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## 28. Employee benefits

Defined contribution plans

The Group pays provident fund contributions to the Regional Provident Fund Commissioner as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and are recognised as employee benefits expense when they are due.

During the year, the Group has recognized the following amounts in the Statement of Profit and Loss:

	31 March 2022	31 March 2021
Contributions to provident and other funds	873.86	614.54

Defined benefit plans

- Gratuity
- Compensated absences

In accordance with Ind AS 19 - Employee Benefits, the actuarial valuation for the aforesaid defined "benefit" plans is based on the following assumptions:

	Compensated absences		Gratuity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate	7.26%	6.76%	7.26%	6.76%
Salary escalation rate	10.00%	10.00%	10.00%	10.00%
Expected future working life	28.00	28.08	28.00	28.08
Mortality table	IALM (2012-2014)	IALM (2012-2014)	IALM (2012-2014)	IALM (2012-2014)
Withdrawal rates (in %age)				
Up to 10 years	17.00%	13.00%	17.00%	13.00%
From 11 to 44 years	17.00%	13.00%	17.00%	13.00%
Above 44 years	17.00%	13.00%	17.00%	13.00%
<b>(A) Changes in the present value of obligation</b>				
Present value of obligation as at the beginning of the year	443.17	294.73	589.79	170.64
Interest cost	29.96	19.92	39.87	31.82
Past service cost	*	*	*	*
Current service cost	263.84	232.80	219.01	199.39
Benefits paid	(134.79)	(64.59)	(101.49)	(68.46)
Actuarial (gain) loss on obligations	(69.44)	(39.69)	(58.81)	(43.60)
Present value of obligation as at the end of the year	<b>532.74</b>	<b>443.17</b>	<b>685.37</b>	<b>589.79</b>
<b>(B) Changes in the fair value of plan assets</b>				
Fair Value of plan assets at the beginning of the year	*	*	192.12	170.93
Actual return on plan assets	*	*	21.19	21.19
Contributions	*	*	*	*
Benefits paid	*	*	*	*
Actuarial gain (loss) for the year on asset	*	*	*	*
Fair value of plan assets at the end of the year	<b>*</b>	<b>*</b>	<b>213.31</b>	<b>192.12</b>
<b>(C) Expense recognized in the Statement of Profit and Loss</b>				
Current service cost	263.84	232.80	219.01	199.39
Past service cost	*	*	*	*
Interest cost	29.96	19.92	39.87	31.82
Expected return on plan assets	*	*	(12.99)	(11.56)
Net actuarial (gain) loss recognized in the year	(69.44)	(39.69)	*	*
Expenses recognized in the Statement of Profit and Loss	<b>234.36</b>	<b>213.03</b>	<b>245.89</b>	<b>219.65</b>



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## (1) Expense recognized in other comprehensive income

	Compensated absences		Gratuity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Actuarial gain (loss) on planned benefits obligations	-	-	58.81	43.60
Actuarial gain (loss) on plan asset	-	-	8.21	9.63
Unrecognised actuarial gain (loss) for the year	-	-	67.02	53.23

## (2) Amounts to be recognized in the Balance Sheet

Net present value of obligation as at the end of the year	532.74	443.17	685.37	589.79
Net fair value of plan assets as at the end of the year	-	-	213.31	192.12
Net asset / (liability) recognised in the balance sheet	(532.74)	(443.17)	(472.06)	(397.67)

## (3) Sensitivity analysis for the defined benefit obligations\*

## Impact of change in discount rate

Present Value of Obligation as at the end of the year	532.74	443.17	685.37	589.79
Impact due to increase in 0.50%	(16.36)	(17.76)	(21.31)	(24.37)
Impact due to decrease in 0.50%	17.30	19.05	22.58	26.19

## Impact of the change in salary increase

Present Value of Obligation as at the end of the year	532.74	443.17	685.37	589.79
Impact due to increase in 0.50%	16.77	18.39	21.90	25.27
Impact due to decrease in 0.50%	(16.04)	(17.33)	(20.89)	(23.78)

\*Sensitivities due to mortality and withdrawals are not material. Hence, the impact of change due to these is not calculated.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

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## 29. Share based payments

Naspers Limited ('Naspers') has offered certain employees of the Company various equity compensation plans, the majority of which are classified as equity settled. In terms of these plans, employees are offered awards in the form of either share options, restricted stock units ('RSU') or share appreciation rights ('SAR').

All awards are granted subject to the completion of a requisite service (vesting) period by employees, ranging from one year to four years. Unvested awards are subject to forfeiture on termination of employment. Vesting takes place in tranches depending on the duration of the total vesting period.

In respect of the share options and SARs on exercise date, following completion of the vesting period, awards are settled with employees in the equity instruments of Naspers Limited or its subsidiaries for equity-settled plans and in cash or other assets for cash-settled plans, where applicable. In respect of RSUs, awards are automatically settled in Naspers Limited equity instruments on the vesting date.

The group share trust hold Naspers shares (as shareholders) to settle awards held by employees of the Naspers and Prosus group. These share trusts were founded by Naspers to administer the Naspers group share schemes for all employees.

RSUs are granted with an exercise price of zero. All SARs are granted with an exercise price of not less than 100% of the fair value of the SARs on the date of the grant. All cancelled options/RSUs/SARs are cancelled by mutual agreement between the employer and employee.

## A. Naspers Restricted Stock Plan Trust ('Naspers RSU'):

Under the Naspers RSU plan, share options may be granted with an exercise price of not less than 100% of the market value of the shares at the time of the grant. The Naspers shares are automatically settled with the participants on their respective vesting dates. The Naspers Restricted Stock Plan Trust may issue no more than 200,000 awards in aggregate during any one financial year. This plan is classified as equity-settled at Naspers' level. The vesting period is over four years with 25% vesting each year.

## a) Fair value of the options

The weighted average fair value has been calculated by an external valuer using the Black-Scholes Binomial option pricing model, using the following inputs and assumptions:

Weighted average fair value at measurement date (in ZAR)	3,251.25
Weighted average exercise price	-
Weighted average expected volatility (in %) - determined using historical daily share prices	0%
Weighted average option life (in years)	2.50
Weighted average dividend yield (in %)	0%
Weighted average risk-free interest rate (in %), based on zero rate bond yield as perfect fitNothing	0%

## b) Changes in options during the year

Particulars	2021-22		2020-21	
	Number of options	Weighted average exercise price (ZAR)	Number of options	Weighted average exercise price (ZAR)
Balance at the beginning of the year	1,245	-	2,258	-
Granted during the year	-	-	-	-
Forfeited during the year	(277)	-	(297)	-
Exercised during the year	(459)	2,870.86	(716)	3,206.75
Lapsed during the year	-	-	-	-
Balance at the end of the year	509	-	1,245	-

## c) Share options outstanding at the end of the year

The share option outstanding at the end of year had remaining contractual life of 0.64 years (2021: 1.16 years)

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## B. Nasper's Fintech BV SAR Scheme ('Nasper's Fintech')

Under the Nasper's Fintech BV Share Appreciation Rights ('SAR') Scheme, no more than 15% of the total number of ordinary shares is available for issue. SARs may be granted with an exercise price of not less than 100% of the fair value of the SARs at the time of the grant. This plan is classified as equity-settled at Nasper's level. For all offers made prior to March 31, 2018, one fifth of the SARs generally vest at the anniversary of each of the first, second, third, fourth and fifth years after the grant date. All offers made from 01 April 2018 vest equally over four years. SAR offers expire after 10 years from date of offer.

## a) Fair value of the SARs

The weighted average fair value has been calculated by an external valuer using the Black-Scholes option pricing model, using the following inputs and assumptions:

Weighted average fair value at measurement date (in US\$)	4.39
Weighted average share price (in US\$)	10.63
Weighted average exercise price (in US\$)	10.93
Weighted average expected volatility (in %), determined using historical annual company valuations.	53.8%
Weighted average option life (in years)	10.01
Weighted average dividend yield (in %)	0.00%
Weighted average risk-free interest rate (in %), based on zero rate bond yield	2.3%
Weighted average sub-optimal rate (in %)	160%
Weighted average vesting period (in years)	2.50

## b) Changes in SAR during the year

Particulars	2021-22		2020-21	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price (ZAR)
Balance at the beginning of the year	161,667	86.12	302,055	82.59
Granted during the year	-	-	-	-
Movements (in/out)	-	-	(476)	88.45
Forfeited during the year	(15,360)	92.84	(16,303)	85.39
Exercised during the year	(8,166)	62.48	(23,609)	50.65
Required during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Balance at the end of the year	138,135	86.12	161,667	82.59

At the year end, 75,629 SARs (2021: 54,508) are vested and the balance 62,506 (2021: 107,159) SARs are unvested.

## c) SAR outstanding at the end of the year by exercise price

Exercise prices (in US\$)	SARs outstanding			SARs currently available	
	Number outstanding at 31 March 2022	Weighted average remaining contractual life (years)	Weighted average exercise price (in US\$)	Exercisable at 31 March 2022	Weighted average exercise price (in US\$)
39.10	25	1.95	39.10	25	39.10
40.03	2,802	3.47	40.03	2,802	40.03
40.92	10,618	4.76	40.92	10,618	40.92
58.44	3,318	5.33	58.44	2,650	58.44
75.16	4,535	6.25	75.16	3,256	75.16
95.18	116,837	7.39	95.18	56,468	95.18
	<b>138,135</b>		<b>86.12</b>	<b>75,629</b>	<b>82.59</b>

Exercise prices (in US\$)	SARs outstanding			SARs currently available	
	Number outstanding at 31 March 2021	Weighted average remaining contractual life (years)	Weighted average exercise price (in US\$)	Exercisable at 31 March 2021	Weighted average exercise price (in US\$)
39.10	40	1.95	39.10	40	39.10
40.03	9,822	4.51	40.03	9,822	40.03
40.92	11,483	5.73	40.92	8,952	40.92
45.51	978	3.45	45.51	978	45.51
58.44	3,781	6.32	58.44	1,928	58.44
75.16	5,685	7.25	75.16	2,640	75.16
95.18	129,873	8.38	95.18	30,343	95
	<b>161,667</b>		<b>82.59</b>	<b>54,508</b>	<b>45.09</b>




## C. MHI Services FZ LLC - N - ZAR (Nasper shares):

MHI Services FZ LLC (formerly, MHI (Mauritius) Limited) has established a shares trust and under the provisions of the trust deed, the share options expire after 10 years from grant date. The vesting period for share options granted after 25 August 2017 is one quarter vesting after years one, two, three and four. Options granted before 25 August 2017 vest one third at the anniversary of each of the third, fourth and fifth years after the grant date.

## a) Changes in share options during the year

	2021-22	2020-21		
	Number of options	Weighted average exercise price (ZAR)	Number of options	Weighted average exercise price (ZAR)
Balance at the beginning of the year	-	-	1,579	2,097.38
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(1,579)	2,097.38
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Balance at the end of the year	-	-	-	-

As a result of corporate transactions, certain share options have been split from the above scheme and the details of such options are disclosed below:

## i. MCG - Naspers RSU plan:

Following its listing on the Johannesburg Stock Exchange (JSE) in South Africa in February 2019, the Naspers group distributed its shares in its video-entertainment business, MultiChoice Group Limited (MCG), to shareholders as a pro rata distribution in specie (the distribution). The Share Trusts (the Trust), being a shareholder of Naspers Limited, participated in the distribution and received MCG shares. In accordance with the Trust Deed, beneficiaries, as option holders, participate in the distribution. Accordingly, the Trustees gave each beneficiary the choice to either link the MCG share to their Naspers Limited share, multiplying each option, or have the strike price of their option reduced with the market value of the MCG share, on the distribution date. The strike prices of the balance of the options outstanding on the distribution date were adjusted accordingly and are reflected in the reduced weighted average exercise prices disclosed above. As at 31 March 2022, none of the MCG shares linked to the outstanding options were outstanding.

## b) Changes in the share options during the year

	2021-22	2020-21		
	Number of options	Weighted average exercise price (ZAR)	Number of options	Weighted average exercise price (ZAR)
Balance at the beginning of the year	-	-	31	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	(31)	-
Expired during the year	-	-	-	-
Balance at the end of the year	-	-	-	-

## c) Share options outstanding at the end of the year

The share option outstanding at the end of year had remaining contractual life of Nil years (2021: Nil years)

## ii. Prinus - Naspers RSU:

On 11 September 2019 Naspers listed its international ecommerce and internet assets on Euronext Amsterdam. This listing has created a new global consumer internet group Prinus N.V. (formerly Mynt International Holdings N.V.), comprising Naspers's internet interests outside South Africa and includes investments in online classifieds, food delivery, payments and fintech, e-commerce, travel, education and social and internet platforms, among others. Prinus N.V. has a secondary listed listing on the JSE. Pursuant to the listing of Prinus, Naspers provided its existing shareholders an option to receive either a shareholding in Prinus shares or additional Naspers shares as consideration. The Trustees made the election for the Trust where they elected the option to receive additional Naspers shares. The Prinus shares were then linked to the outstanding options, so that when a beneficiary exercises their options and pays their original strike price they will receive the original Naspers share and the additional Naspers shares linked thereto.

## d) Changes in the share options during the year

	2021-22	2020-21		
	Number of options	Weighted average exercise price (ZAR)	Number of options	Weighted average exercise price (ZAR)
Balance at the beginning of the year	1,245	-	2,258.00	-
Transfers in / out	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	(227)	-	(297)	-
Exercised during the year	(450)	-	(716)	-
Expired during the year	-	-	-	-
Balance at the end of the year	509	-	1,245	-

## e) Share options outstanding at the end of the year

The share option outstanding at the end of year had remaining contractual life of 0.64 years (2021: 1.16 years)



**PayU Payments Private Limited**

**Notes to Consolidated Financial Statements for the year ended 31 March 2022:**

**D. PRONUS RSU (EUR):**

Pronus N.V. Share Award Plan has been introduced during the year. Under the Scheme, no more than 5% of the issued share capital of Pronus N.V. may be granted in the Pronus RSU. One quarter of the awards will be vested on yearly basis. Awards under the scheme will be settled automatically with participants on vesting date.

**(i) Fair value of the options:**

The weighted average fair value has been calculated by an external valuer using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average fair value at measurement date (in EUR)	74.89
Weighted average exercise price	0.00
Weighted average expected volatility (in %) - determined using historical daily share prices	0%
Weighted average option life (in years)	10.00
Weighted average dividend yield (in %)	0%
Weighted average risk-free interest rate (in %), based on zero rate bond yield	0%
Weighted average annual sub-optimal rate (%)	160%
Weighted average vesting period (years)	2.50

**(ii) Changes in options during the year:**

Particulars	2021-22		2020-21	
	Number of options	Weighted average exercise price (EUR)	Number of options	Weighted average exercise price (EUR)
Balance at the beginning of the year	24,769	-	-	-
Granted during the year	80,647	-	28,437	-
Forfeited during the year	(13,732)	-	(3,668)	-
Exercised during the year	(5,492)	-	-	-
Expired during the year	-	-	-	-
Balance at the end of the year	86,192	-	24,769	-

**(iii) Share options outstanding at the end of the year:**

The share option outstanding at the end of year had remaining contractual life of 9.39 years (2021: 9.53)

**E. MII Fintech Holding BV SAR plan:**

Under the MII Fintech Holding BV Share Appreciation Rights (SAR) Scheme, no more than 2.5% of the total number of ordinary shares is available for issue. SARs may be granted with an exercise price of not less than 100% of the fair value of the SARs at the time of the grant. This plan is classified as cash-settled at Mopu's level. All offers vest equally over four years. SAR offers expire after 10 years from date of offer.

**(i) Fair value of the SARs:**

The weighted average fair value has been calculated by an external valuer using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average fair value at measurement date (in US\$)	4.39
Weighted average share price (in US\$)	10.68
Weighted average exercise price (in US\$)	10.93
Weighted average expected volatility (in %), determined using historical annual company volatilities	54%
Weighted average option life (in years)	10.01
Weighted average dividend yield (in %)	0.00%
Weighted average risk-free interest rate (in %), based on zero rate bond yield	2%
Weighted average sub-optimal rate (%)	160%
Weighted average vesting period (in years)	2.50

**(ii) Changes in SAR during the year:**

Particulars	2021-22		2020-21	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at the beginning of the year	81,352	6.54	-	-
Granted during the year	48,729	10.61	81,352	6.54
Movements (In/Out)	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Balance at the end of the year	130,081	8.07	81,352	6.54

At the year end 20338 SARs (2021: 162) are vested and the balance 109743 (2021: 81352) SARs are unvested.



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PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2021

3. PayU Cash & Share Appreciation Rights (SAR) Plan

Under the PayU Cash & Share Appreciation Rights (SAR) Scheme, no more than 15% of the total number of ordinary shares is available for issue. SARs may be granted with an exercise price of not less than 100% of the fair value of the SARs at the time of the grant. This plan is classified as cash-settled in PayU's cash & market value over four years. SARs will expire after 10 years from date of issue.

Fair value of the SARs

The weighted average fair value has been calculated by an external valuer using the Black-Scholes Option pricing model, using the following inputs and assumptions:

Weighted average fair value at the assessment date (in US\$)	21.33
Weighted average share price (in US\$)	48.91
Weighted average exercise price (in US\$)	52.57
Weighted average exercise volatility (in %), determined using historical annual company volatilities	53.65
Weighted average option life (in years)	10.01
Weighted average dividend yield (in %)	4%
Weighted average risk-free interest rate (in %), based on 10 year bond yield	2.3%
Weighted average swap rate (in %)	100%
Weighted average swap rate (in %)	2.50

Changes in SARs during the year

Particulars	2021-22		2020-21	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at 1 <sup>st</sup> January of the year	14,761	21.33	-	-
Granted during the year	20,136	39.57	14,761	21.33
Amortised (in US\$)	-	-	-	-
Exercised during the year	(6,079)	32.55	-	-
Issued during the year	-	-	-	-
Expired during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Balance at the end of the year	34,220	32.56	14,761	21.33

At the year end 1,326 SARs (10%) have vested and are exercisable. 40,714 (2020: 14,761) SARs are unvested.

Changes in number of options at the year end, exercisable basis

Fair value (in US\$)	SARs unvested			SARs currently available	
	Number of options at 31 March 2021	Weighted average exercise price (in US\$)	Weighted average exercise price (in US\$)	Exercisable at 31 March 2021	Weighted average exercise price (in US\$)
		Weighted average exercise price (in US\$)	Weighted average exercise price (in US\$)		
21.33	14,761	6.48	21.33	1,326	21.33
32.55	20,136	9.34	32.55	-	-
				2,662	21.33
Fair value (in US\$)	SARs exercisable			SARs currently available	
	Number of options at 31 March 2021	Weighted average exercise price (in US\$)	Weighted average exercise price (in US\$)	Exercisable at 31 March 2021	Weighted average exercise price (in US\$)
		Weighted average exercise price (in US\$)	Weighted average exercise price (in US\$)		
21.33	14,761	6.48	21.33	-	-
				14,761	21.33

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PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

G. PayU Global BV SAR Plan (2020)

Under the PayU Global HV Share Appreciation Rights ('SAR') Scheme, no more than 15% of the total number of ordinary shares is available for issue. SARs may be granted with an exercise price of not less than 100% of the fair value of the SARs at the time of the grant. This plan is classified as cash-settled at Shareholder's level. All options vest equally over four years. SAR options expire after 10 years from date of grant.

(a) Fair value of the SARs

The weighted average fair value has been calculated by an external valuer using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average fair value at measurement date (in US\$)	59.87
Weighted average share price (in US\$)	125.42
Weighted average exercise price (in US\$)	140.26
Weighted average expected volatility (in %), determined using historical annual company valuations	53.81%
Weighted average option life (in years)	10.01
Weighted average dividend yield (in %)	0
Weighted average risk-free interest rate (in %), based on zero rate bond yield	2.3%
Weighted average risk-adjusted rate (in %)	16.0%
Weighted average vesting period (in years)	2.51

In Changes in SAR during the year

Particulars	2021-22		2020-21	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at the beginning of the year	155,453	\$2.86	-	-
Granted during the year	108,669	140.26	108,464	\$2.86
Movements (In/Out)	-	-	-	-
Forfeited during the year	(54,901)	101.52	(13,011)	\$2.86
Exercised during the year	(10,195)	\$2.86	-	-
Canceled during the year	-	-	-	-
Balance at the end of the year	198,936	109.06	155,453	\$2.86

At the year end 25,022 SARs (2021: Nil) are vested and the balance 173,914 (2021: 155,453) SARs are unvested.

(b) SARs outstanding at the end of the year by exercise price

Exercise price (in US\$)	SARs outstanding			SARs currently available	
	Number outstanding as 31 March 2022	Weighted average remaining contractual life (years)	Weighted average exercise price (in US\$)	Exercisable at	Weighted average exercise price (in US\$)
				31 March 2021	
\$2.86	108,144	9.52	\$2.86	25,022	\$2.86
140.26	90,792	9.39	140.26	-	-
	198,936		\$2.86	25,022	\$2.86

Exercise price (in US\$)	SARs outstanding			SARs currently available	
	Number outstanding as 31 March 2021	Weighted average remaining contractual life (years)	Weighted average exercise price (in US\$)	Exercisable at	Weighted average exercise price (in US\$)
				31 March 2021	
\$2.86	155,453	9.52	\$2.86	-	-
	155,453		\$2.86	-	0.00

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C. M&R Paribas Holdings BV's SABs Plan (2022)

Under the Paribas Global BV Share Appreciation Rights (SABs) Scheme, no more than 15% of the total number of ordinary shares is available for issue. SABs can be granted with an exercise price of not less than 100% of the fair value of the SABs at the time of the grant. The plan is classified as equity in Nasper's level, and others are equity after three years. SABs often expire after 10 years from date of issue.

1. Fair value of the SABs

The fair value of SABs has been calculated by an external verifier using the Black-Scholes Option pricing model, using the following inputs:

Weighted average fair value at measurement date (in US\$)	10.11
Weighted average share price (in US\$)	79.29
Weighted average exercise price (in US\$)	92.30
Weighted average expected volatility (in %), determined using historical annual company volatility	55.4%
Weighted average option life (in years)	10.01
Weighted average risk-free rate (in %)	0
Weighted average risk-adjusted rate (in %)	2.5%
Weighted average risk premium rate (in %)	16.0%
Weighted average vesting period (in years)	2.00

2. Fair value of SABs during the year

Description	2021-22		2020-21	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at the beginning of the year	-	-	-	-
Granted during the year	35,301	72.20	-	-
Exercised during the year	-	-	-	-
Released during the year	-	-	-	-
Repurchased during the year	-	-	-	-
Balance at the end of the year	<u>35,301</u>	<u>72.20</u>	-	-

Stock options (SABs) (2021: Not applicable) are vested and the balance 35,301 (2020: Not applicable) SABs are unvested.

3. SABs outstanding at the end of the year (in thousands)

Number outstanding (in thousands)	SABs outstanding			SABs currently exercisable	
	Number outstanding 31 31 March 2022	Weighted average exercise price in US\$	Weighted average exercise price in US\$	Exercisable on 31 March 2021	
				Exercisable on 31 March 2021	Weighted average exercise price (in US\$)
35,301	35,301	0.00	72.20	-	-
	<u>35,301</u>		<u>72.20</u>		



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## 36. Earnings/ (loss) per equity share ("EPS")

The earnings and weighted average number of equity shares used in the calculation of basic earning per share are as follows :

	31 March 2022	31 March 2021
Profit/(Loss) for the year attributable to the equity shareholders (A)	35,188.83	(11,834.98)
Weighted average number of equity shares outstanding during the year (number, in lakhs) (B)	20,128.81	19,704.95
Nominal value of equity shares (₹)	10.00	10.00
Basic loss per share (₹) (A/B)	<u>1.75</u>	<u>(0.60)</u>

The Company has issued compulsorily convertible debentures (see note 19) and the conversion of these debentures into equity shares has an anti-dilutive impact on EPS. Hence, the disclosure of diluted EPS is restricted to basic EPS in the Statement of Profit and Loss.

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PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

**31. Related party disclosures**

In accordance with the requirements of Indian Accounting Standard ('Ind AS') – 24 'Related Party Disclosures' the names of the related parties with the aggregate transactions and year- end balance with them as identified and certified by the management in the ordinary course of business and on arms' length basis are given below:

**A. List of related parties**

**Related parties where control exists**

i) Ultimate Parent Company - MIH Payments Holdings B.V., the Netherlands, which is a subsidiary of Naspers Limited, South Africa

ii) Parent Company - MIH India (Mauritius) Limited

iii) Associate Company - PayU Finance India Private Limited (Subsidiary till June 1, 2021)

**Other related parties**

i) Fellow subsidiaries / entities under common control with whom transactions have taken place during the current year and previous year:

- Myriad Services BV
- MIH PayU BV
- PayU Credit BV
- MIH Internet SEA Pte Limited
- Paysense Services Private Limited
- Prosus N.V. (formerly, Myriad International Holdings B.V.)
- Prosus Services BV
- Enstage Software Private Limited
- MIH Payments Holding BV
- MIH FinTech Holding BV
- MIH Internet Holdings BV
- PayU Corporate IT BV
- Aasaanjobs Private Limited
- Bundl Technologies Private Limited
- DotPe Private Limited
- OLX India Private Limited
- Sobek Auto India Private Limited
- MIH Services FZ LLC
- Zeev Mobile Limited

ii) Key management personnel

- Mr. Aakash Moondhra, Director
- Mr. Anirban Mukherjee, Chief Executive Officer and Director
- Mr. Manveesh Goel, Chief Financial Officer and Director
- Ms. Mikita Goel, Company secretary (Up to 27 April 2021)
- Ms. Anuradha Aggarwal, Company secretary (w.e.f. 28 April 2021)



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**PayU Payments Private Limited**

**Notes to Consolidated Financial Statements for the year ended 31 March 2022**

**B. Details of transactions with related parties**

	(₹ in Lakh, unless stated otherwise)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Advance payment to ESOP trust</b>		
-MII Internet holding BV	4,243.00	1,688.18
<b>Issue of equity share capital</b>		
-MII Payments Holding BV	620.42	-
-PayU Global B.V., the Netherlands	4,160.57	1,712.83
<b>Sale of services</b>		
-Amanjobs Private Limited	0.15	0.02
-Bundi Technologies Private Limited	1,092.19	896.38
-Dotpe Private Limited	0.60	10.62
-OLX India Private Limited	81.99	37.62
-Paysense Services India Private Limited	80.91	79.42
<b>Other operating revenue</b>		
-PayU Finance India Private Limited	636.44	-
-Einstage Software Private Limited	-	122.51
-Lazypay Private Limited	100.41	-
<b>Other income</b>		
-MII PayU BV	-	807.34
-PayU Credit BV	197.81	-
-MII Fintech Holding BV	655.92	-
-OLX India Private Limited	31.50	-
-Einstage Software Private Limited	192.14	-
-PayU Finance India Private Limited	439.40	-
<b>Cost of services</b>		
-Einstage Software Private Limited	955.94	265.02
<b>Finance cost</b>		
-PayU Finance India Private Limited	2.91	-
-MII India (Mauritius) Limited	342.67	342.67
<b>Legal and professional expenses</b>		
-Einstage Software Private Limited	94.09	110.22
<b>Management service charge</b>		
-MII Payments Holding BV	7,854.09	4,512.15




**PayU Payments Private Limited**

**Notes to Consolidated Financial Statements for the year ended 31 March 2022**

**B. Details of transactions with related parties (contd')**

	(₹ in Lakh, unless stated otherwise)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Reimbursement of expense incurred on behalf of</b>		
- MII PayU BV	184.66	34.43
- Myriad Services B.V	13.81	-
- Prosus Services B.V	5.39	66.68
- MII Fintech Holdings BV	655.67	187.28
- PayU Corporate IT BV	-	90.10
- PayU finance India private limited	59.00	-
- MII Services FZ LLC	390.39	-
- Sobek auto India private limited	2.68	-
<b>Transactions with key management personnel</b>		
- Short term employee benefits	745.29	625.22
- Share based payments	8.23	18.82

**C. Outstanding balances arising from sales/purchases of goods and services**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	(₹ in Lakh, unless stated otherwise)	
	As at 31 March 2022	As at 31 March 2021
<b>Other receivables</b>		
-MII PayU BV	-	324.91
-MII Internet Holding BV	-	132.29
-MII Payment Holding BV	3,786.15	169.31
-Prosus Services B.V	-	4.05
-Zooz Mobile Limited	20.87	-
-MII Fintech Holdings BV	194.33	-
-Prosus N.V (formerly, Myriad International Holdings B.V.)	-	0.20
<b>Trade receivables</b>		
-LazyPay Private Limited	106.80	-
-PayU Finance India Private Limited	632.63	-
<b>Debtors</b>		
-MII India (Mauritius) Limited	4,283.39	4,283.39
<b>Other financial liabilities</b>		
-MII PayU BV	-	187.04
-Instage Software Private Limited	150.84	126.18
-MII Internet holding BV	787.65	51.95
-Myriad Services B.V	1.22	2.38
-PayU Corporate IT BV	-	89.54
-MII Fintech holding BV	345.29	195.08
-PaySense Services Private Limited#	-	39,281.85
-MII Services FZ LLC	399.79	-
-MII India (Mauritius) Limited	1,203.62	326.65



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## 32. Taxation:

## 32.1 Income tax recognised in the Statement of Profit and Loss

	31 March 2022	31 March 2021
Current tax	-	-
Deferred tax	-	-
<b>Total tax expense recognised in Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

## 32.2 Reconciliation of tax expense between accounting profit at applicable rate and effective tax rate as follows:

Accounting profit before tax	28,908.32	(11,534.98)
Statutory income tax rate	25.17%	25.17%
Tax credit at statutory income tax rate	(7,276.22)	2,978.87
Deferred tax not recognised due to conservatism, in absence of reasonable certainty	7,276.22	(2,978.87)
MAT credit not recognised	-	-
<b>Income tax expense at effective tax rate reported in the Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

## 32.3 Details of unused tax losses for which no deferred tax is recognised in the financial statements:

Tax losses	31 March 2022			31 March 2021		
	Base amount	Deferred tax	Expiry date (assessment year)	Base amount	Deferred tax	Expiry date (assessment year)
Assessment year 2013-14	666.61	167.79	31 March 2022	666.61	167.79	31 March 2022
Assessment year 2014-15	2,995.11	753.87	31 March 2023	2,995.11	753.87	31 March 2023
Assessment year 2015-16	5,364.00	1,350.12	31 March 2024	5,364.00	1,350.12	31 March 2024
Assessment year 2016-17	15,999.50	4,027.07	31 March 2025	15,999.50	4,027.07	31 March 2025
Assessment year 2017-18	12,927.13	3,253.76	31 March 2026	12,927.13	3,253.76	31 March 2026
Assessment year 2018-19	3,414.12	859.33	31 March 2027	3,414.12	859.33	31 March 2027
Assessment year 2019-20	-	-	31 March 2028	-	-	31 March 2028
Assessment year 2020-21	7,961.48	2,003.90	31 March 2029	7,961.48	2,003.90	31 March 2029
Assessment year 2021-22	4,258.94	1,071.97	31 March 2030	-	-	-

## 32.4 Details of unused credit for unabsorbed depreciation for which no deferred tax is recognised in the financial statements:

	31 March 2022			31 March 2021		
	Base amount	Deferred tax	Expiry date (assessment year)	Base amount	Deferred tax	Expiry date (assessment year)
Assessment year 2007-08	-	-	Not applicable	25.18	6.34	Not applicable
Assessment year 2008-09	-	-	Not applicable	41.10	10.34	Not applicable
Assessment year 2009-10	-	-	Not applicable	29.72	7.48	Not applicable
Assessment year 2010-11	-	-	Not applicable	20.00	5.03	Not applicable
Assessment year 2011-12	-	-	Not applicable	10.75	2.70	Not applicable
Assessment year 2012-13	-	-	Not applicable	13.04	3.28	Not applicable
Assessment year 2013-14	-	-	Not applicable	40.13	10.10	Not applicable
Assessment year 2014-15	-	-	Not applicable	135.48	34.10	Not applicable
Assessment year 2015-16	-	-	Not applicable	376.79	94.84	Not applicable
Assessment year 2016-17	-	-	Not applicable	727.61	183.14	Not applicable
Assessment year 2017-18	-	-	Not applicable	848.24	213.50	Not applicable
Assessment year 2018-19	5,901.21	1,485.33	Not applicable	21,682.12	5,507.73	Not applicable
Assessment year 2019-20	15,531.99	3,909.40	Not applicable	15,531.99	3,909.40	Not applicable
Assessment year 2020-21	12,334.66	3,104.63	Not applicable	12,334.66	3,104.63	Not applicable
Assessment year 2021-22	1,347.17	339.16	Not applicable	-	-	-

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**33. Risk management framework**

The company has exposure to the following risks arising from the financial statements

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk

The Company has formulated a comprehensive Risk Management Policy, which covers, interalia, Credit risk, Liquidity risk and Market risk of the organisation.

This note explains the source of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, receivables and other financial assets measured at amortised cost.	Trade Ageing analysis	Bank deposits, liquid funds, high credit rated receivables from banks, credits limit and collateral
Liquidity risk	Borrowings, Lease liabilities and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk	Financial liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting	Foreign Currency Forwards, Short term payables, to limit fluctuations in currency

**i) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or a counter party to a financial instrument fails to meet the contractual obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well concentration of risk. Financial instruments that are subject to concentration of credit risk principally consist of trade receivable, investments, cash and cash equivalents, loans and other financial assets. The carrying amount of financial assets represents the maximum credit risk exposure at the reporting date.

## Financial assets that expose the entity to credit risk

Particulars	31 March 2022	31 March 2021
(i) Low credit risk on financial reporting date		
- Trade receivables	10,599.12	7,506.18
- Cash and cash equivalents	8,761.34	8,043.65
- Bank balances other than above	1,930.60	2,060.23
- Other financial assets	9,349.13	3,443.46
(ii) Moderate risk		
(iii) High risk		

## Trade receivables

Trade receivables represents receivables from high credit rated banks and other financial institutions in the country. The Company has not experienced any loss till date in such receivables. Accordingly, amount of expected credit loss on such receivables is expected to be NIL.



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## 34. Risk management framework (Contd.)

## Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by parking funds in investment grade rated instruments and highly rated banks and also diversifying the deposit base by investing in different instruments/banks across the country.

## (i) Liquidity risk

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

The Company manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

As at 31 March 2022

	Contractual cash flows		
	Carrying amount	Within 1 year	More than 1 year
(i) Borrowings	4,283.39	-	4,283.39
(ii) Lease Liability	2,463.26	617.54	1,845.72
(iii) Trade payables	4,622.01	4,622.01	-
(iv) Other financial liabilities	19,167.06	17,963.91	1,203.62
	<b>30,535.72</b>	<b>23,202.99</b>	<b>7,332.73</b>

As at 31 March 2021

	Contractual cash flows		
	Carrying amount	Within 1 year	More than 1 year
(i) Borrowings	4,283.39	-	4,283.39
(ii) Lease Liability	2,530.43	482.46	2,047.97
(iii) Trade payables	1,316.79	1,316.79	-
(iv) Other financial liabilities	33,770.34	30,884.19	886.63
	<b>59,001.45</b>	<b>52,683.44</b>	<b>7,218.01</b>

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## 35. Risk management framework (Contd.)

## iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

## Foreign currency risk

The Company is subject to foreign exchange risk primarily due to its transactions incurred in foreign currencies. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risk primarily relate to fluctuations in USD against the functional currency of the Company. The Company has a treasury team which evaluates the impact of foreign rate fluctuation by assessing its exposure to exchange rate risk and advises the management of any material adverse effect on the Company and recommends in case any forward contracts to be taken to cover the risk.

## Exposure to currency risk

The details of unhedged foreign currency at the exchange rate at reporting date are:

	31-Mar-22	31-Mar-21
Liabilities		
Other financial liabilities		
AED	-	-
EUR	-	-
GBP	-	-
SGD	-	-
USD	129.34	266.30
ZAR	-	-
	129.34	266.30

Note: The numbers in above table represents INR equivalent of respective foreign currency.

## Sensitivity analysis

The table below represents the impact on Statement of Profit and Loss (+ Gain / (Loss)) for 5% change in foreign currency exchange rate against INR on the unhedged exposures:

	31-Mar-22		31-Mar-21	
	Adverse	Favorable	Adverse	Favorable
AED/INR	-	-	-	-
EURO/INR	-	-	-	-
GBP/INR	-	-	-	-
SGD/INR	-	-	-	-
USD/INR	6.47	(6.47)	13.32	(13.32)
ZAR/INR	-	-	-	-




**PayU Payments Private Limited**

**Notes to Consolidated Financial Statements for the year ended 31 March 2022**

(₹ in Lakhs, unless stated otherwise)

**36. Contingent liabilities**

**36A. Claims against the Company not acknowledged as debts**

Other cases in consumer forum/ district courts

	31 March 2022	31 March 2021
	5.87	4.87
	<u>5.87</u>	<u>4.87</u>

Based on its evaluations for the above matters, the management believes that the Company has strong merits in these cases and accordingly, no adjustments are considered necessary at this stage.

**32B.** The Supreme Court on 28 February 2019, has provided its judgment regarding inclusion of other allowances such as travel allowances, special allowances, etc. within the expression 'basic wages' for the purpose computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. There are interpretive challenges on the application of the said judgment including the period from which judgment would apply, consequential implications on resigned employees, etc and these factors pose significant uncertainty regarding the implementation of the said judgment.

Owing to the aforesaid uncertainty, absence of reliable measurement of the provisions for the earlier periods and pending clarification from regulatory authorities in this regard, the Company has not recorded adjustments, if any, in respect of this matter for earlier years.

**37. Financial instruments**

**A - Categories of financial instruments:**

	31 March 2022	31 March 2021
<b>Financial assets, measured at amortised cost</b>		
- Trade receivables	10,599.12	7,506.18
- Cash and cash equivalents	8,761.34	8,043.65
- Bank balances other than above	1,930.60	2,060.23
- Other financial assets	9,349.13	3,443.47
<b>Total financial assets</b>	<u>30,640.19</u>	<u>21,053.53</u>
<b>Financial liabilities, measured at amortised cost</b>		
- Non current borrowings	4,283.39	4,283.39
- Lease liability	3,049.34	2,934.62
- Trade payables	4,622.01	1,316.79
- Current borrowings	-	-
- Other financial liabilities	18,580.98	51,366.65
<b>Total financial liabilities</b>	<u>30,535.72</u>	<u>59,981.45</u>

**B - Fair values of financial instruments**

**B.1 Fair value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)**

	31 March 2022		31 March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets, measured at amortised cost</b>				
<b>Financial assets at amortised cost:</b>				
- Trade receivables	10,599.12	10,599.12	7,506.18	7,506.18
- Cash and cash equivalents	8,761.34	8,761.34	8,043.65	8,043.65
- Bank balances other than above	1,930.60	1,930.60	2,060.23	2,060.23
- Other financial assets	9,349.13	9,349.13	3,443.47	3,443.47
<b>Financial liabilities, measured at amortised cost</b>				
<b>Financial liabilities at amortised cost:</b>				
- Non current borrowings	4,283.39	4,283.39	4,283.39	4,283.39
- Lease liability	3,049.34	3,049.34	2,934.62	2,934.62
- Trade payables	4,622.01	4,622.01	1,316.79	1,316.79
- Current borrowings	-	-	-	-
- Other financial liabilities	18,580.98	18,580.98	51,366.65	51,366.65

**B.2 Fair value of financial assets and liabilities that are measured at fair value**

	31 March 2022		31 March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets, measured at fair value through Other Comprehensive Income</b>				
Investments in National Payments Corporation of India *	770.18	770.18	770.18	770.18
Investments in Feibine Private Limited *	0.25	0.25	0.25	0.25

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Trade receivables, Contract assets, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity.

For non current financial liabilities which represents 8% debentures and lease liability, carrying value are a reasonable approximation of their fair value as the market rate as on the reporting date for similar instruments is same as effective interest rate used to measure these liabilities at amortised cost.

\*The shares of National Payments Corporation of India and of Feibine Private Limited are unquoted and the Company being minority shareholder, does not have any other alternate source to determine the fair value of such investments as at 31 March 2022. Also, the management, based on financial information available, believes that the value of these shares has not changed materially since the acquisition/investment date and therefore the purchase value of these shares have been considered as their fair value.



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## 38. Capital management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the shareholders of the Company. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity/capital.

## Gearing ratio

	31 March 2022	31 March 2021
Total assets (including current maturities of long term debt) (Refer A below)	4,283.39	4,283.39
Less: Cash and cash equivalents (Refer note 10)	(3,761.34)	(3,045.65)
Net debt	(4,477.95)	(3,760.26)
Total equity/capital (Refer B below)	115,086.62	68,868.48
Total capital and net debt	110,608.67	65,108.22
Gearing ratio	-4.05%	-5.98%
A- Total debt		
- Non current borrowings (Refer note 19)	4,283.39	4,283.39
- Current borrowings (Refer note 19)	-	-
	4,283.39	4,283.39
B - Total equity		
- Equity share capital (Refer note 13)	203,402.55	198,621.56
- Other equity (Refer note 14)	(88,315.93)	(129,753.08)
	115,086.62	68,868.48

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings during the year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

## 39. Due to micro and small enterprises

The dues to micro and small enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), to the extent the Company has received information from its supplier regarding their registration status under the MSMED Act, is given below:

	31 March 2022	31 March 2021
(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year:		
Principal amount remaining unpaid	157.63	8.89
Interest accrued and remaining unpaid	-	-
(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) the amount of interest due and payable for the period for the delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest under the MSMED Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(v) The amount of further interest due and payable even in the succeeding year, 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	-	-

## 40. Reconciliation of liabilities arising from financial activities

The table below details the changes in Group's liabilities arising from financing activities, including both cash and non-cash.

	Lease liabilities	Long-term borrowings	Short-term borrowings	Total
As at 01 April 2020	3,432.91	4,283.39	0.01	7,716.31
Cash flows:				
Proceeds from borrowings	-	-	(0.01)	(0.01)
Repayment of borrowings	-	-	9,733.35	9,733.35
Repayment of lease liabilities	(763.76)	-	-	(763.76)
Non-cash:				
Adoption of Ind AS 116	(419.61)	-	-	(419.61)
Interest element on lease liabilities	280.89	-	(9,733.35)	(9,452.46)
	2,530.43	4,283.39	-	6,813.82
As at 31 March 2021				
Cash flows:				
Proceeds from borrowings	-	-	-	-
Repayment of borrowings	-	-	-	-
Repayment of lease liabilities	(825.72)	-	-	(825.72)
Non-cash:				
Additions/Deletions in Lease Liability (Refer note 37)	497.48	-	-	497.48
Interest element on lease liabilities	261.07	-	-	261.07
	2,463.26	4,283.39	-	6,746.65
As at 31 March 2022				

**PayU Payments Private Limited**  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

**(i) Discontinued Operations**

**PayU Finance India Private Limited**

**Entity Description:**

On 7 October 2019, the Group entered into a share purchase agreement with Paywise Services India Private Limited to sell PayU Finance India Private Limited (formerly known as *Safal Leasing Private Limited*), a wholly owned subsidiary.

At 31 March 2020, PayU Finance India Private Limited (formerly known as *Safal Leasing Private Limited*) was classified as a disposal group held for sale and as a discontinued operation. The sale of PayU Finance India Private Limited (formerly known as *Safal Leasing Private Limited*) was completed during the year ended on 2nd June 2022 as the payment from RBL was received. The disposal has resulted into loss of control to the group.

**(ii) Financial performance and cash flow information**

The financial performance and cash flow information of PayU Finance India Private Limited for the period under control are presented below:

	31 March 2022	31 March 2021
	INR lakhs	INR lakhs
Revenue from operations	1,164.71	4,894.36
Other income	-	639.73
Expense Costs	(831.60)	(339.92)
Fees and commission expense	-	-
Employee benefit expense	(1,500.73)	(10,317.70)
Depreciation and amortisation expense	(10.89)	(29.11)
Impairment on financial instruments	-	(0.013.04)
Other expenses	(967.51)	(14,474.37)
Profit before tax	(1,796.02)	(10,622.84)
Income tax expense	-	-
Profit after tax	(1,796.02)	(10,622.84)
Loss on sale of the subsidiary after income tax	-	-
Provisions from discontinued operations	(1,196.02)	(10,622.84)
Other Comprehensive Income	-	0.00
<b>Total Comprehensive Income</b>	<b>(1,196.02)</b>	<b>(10,622.84)</b>

The net cash flows generated by PayU Finance India Private Limited are, as follows:

	31 March 2022	31 March 2021
	INR lakhs	INR lakhs
Operating activities	(1,126.71)	(22,266.15)
Investing activities	(3,740.03)	(3,117.79)
Financing activities	(3,183.92)	6,733.36
<b>Net cash from/(use) in operations</b>	<b>(8,050.66)</b>	<b>(19,610.59)</b>

**(iii) Assets and liabilities of disposal group classified as held for sale**

	31 March 2022	31 March 2021
	INR lakhs	INR lakhs
Assets classified as held for sale		
Property, plant and equipment	-	112.91
Goodwill (note 3)	-	71.92
Other intangible assets	-	-
Leases	-	23,371.10
Receivables	-	11.21
Other financial assets	-	2,236.18
Cash and cash equivalents	-	9,535.90
Other bank balances	-	9,611.38
Other current assets	-	1,193.71
Current tax assets (note 11)	-	160.28
Investments	-	2,991.06
<b>Total Assets held for sale</b>	<b>-</b>	<b>55,314.85</b>
Liabilities classified as held for sale		
Borrowings	-	(15,500.98)
Trade payables	-	(1,171.83)
Provisions	-	(1,319.38)
Other financial liabilities	-	(1,023.04)
Other current liabilities	-	(273.23)
Liabilities directly associated with assets held for sale	-	(19,357.50)
Net assets directly associated with disposal group	-	36,057.35

**(iv) Gain/loss on disposal to group**

	Amount
Purchase consideration	30261.83
Less: unadjusted carrying amount at the date of disposal	0.00
Net amount (March 31, 2021)	-30261.83
Add: Goodwill (March 31, 2021)	-71.97
Less: ITC (March 31, 2021)	2441.39
Add: ITC of subsidiary (April 2022 - May 2022)	2642.78
Less: Investment in ITC Company Disinvestment of March 31, 2021	0.00
Investment in ITC & Disposal ITC	4003.60
Trade receivables ITC remittance	400.93
Borrowings- ITC remittance	0.00
Capital reserve ITC remittance	0.00
Statute Reserve ITC remittance	0.00
Other initial balances- ITC remittance	-259.18
<b>Net gain</b>	<b>15,214.85</b>



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42. Leases

(i) Transition to Ind AS 116

Effective 01 April, 2019, the Company has adopted Ind AS 116 - 'Leases' (Ind AS 116) to its leases, which had previously been classified as 'operating leases' under the principles of Ind AS 17 - 'Leases' using the modified retrospective approach with the option to measure the right to use assets at an amount equal to the lease liabilities as permitted under Ind AS 116, 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. These liabilities were measured at the present value of the remaining lease payments, discounted using the Company's weighted average discount rate of 8.85% as of 01 April 2019.

The Company recognised lease liabilities measured at the present value of the remaining lease payments. The right-of-use assets are recognised at cost, which comprises the amount of the measurement of the lease liabilities adjusted for any lease payments made at or before the inception date of the lease. Accordingly, right-of-use assets and corresponding lease liabilities of ₹ 3,247.72 have been recognised. There has been no impact on the retained earnings due to application of Ind AS 116.

Extension and termination options are included in property leases of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are generally exercisable only by the Company and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercising a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of office premises, the following factors are generally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Under the new standard, all lease contracts, with limited exceptions, are recognised in the financial statements by way of right-of-use assets and corresponding lease liabilities.

The application of Ind AS 116 impacts the classification of expenditure and its presentation in the cash flow statement. It has impacted the timing of expenses recognised in the Statement of Profit and Loss. Lease expenses were previously recognised as rent which is now being replaced by depreciation on right-of-use assets and finance cost on lease liabilities outstanding.

Accordingly, during the year, the Company has recognized depreciation on right-of-use assets amounting to ₹ 660.43 (2021 ₹ 664.1) and finance cost on lease liabilities amounting to ₹ 261.07 (2021 ₹ 289.89), as against lease rent of ₹ 825.72 (2021 ₹ 763.76), which would have otherwise been recognised under the erstwhile standard Ind AS 17 as rent expense in the current year. Consequently, the profit before tax for the year is lower by ₹ 95.78 (2021 ₹ 181.23).

The Company has cash outflows for lease payments of underlying assets amounting to ₹ 917.84 (2021 ₹ 786.71) out of which rent expense amounting to ₹ 92.12 (2021 ₹ 22.93) towards rent for short term leases.

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

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company has relied on its assessment made by applying Ind AS 17 and Appendix C to Ind AS 17, determining whether an arrangement contains a lease.

During the year the company has received concession on various lease arrangement, most of them were for the short tenure and same have not been considered for any revaluation of any liability.

Apart from above a long term concession was negotiated in the Bestech lease and same has been considered for revaluation of ROU and Lease liability in last year.

		31 March 2022	31 March 2021
(i) Measurement of lease liabilities			
Lease liabilities recognised at the beginning of the year		2,463.26	3,432.91
These comprise			
Current lease liabilities		617.54	612.92
Non-current lease liabilities		1,845.72	2,819.99
		<u>2,463.26</u>	<u>3,432.91</u>
(ii) Amortisation recognised in the Statement of Profit and Loss			
Depreciation of right-of-use assets (Refer note 3B)		660.43	664.10
Interest on lease liabilities		261.07	289.89
Short term lease expenses		92.12	22.93
		<u>1,013.62</u>	<u>976.94</u>
(iii) Changes in the carrying value of right-of-use assets			
Balance at the beginning of the year		2,233.25	3,216.36
Additions during the year		579.90	171.31
Reductions (decrements)		(82.42)	(490.45)
Depreciation		660.43	664.10
Balance as at the end of the year		<u>2,070.30</u>	<u>2,233.25</u>

The depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.



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## 42. Leases (Contd.)

## v) Changes in the lease liabilities during the year

	31 March 2022	31 March 2021
Balance at the beginning of the year	2,530.43	3,432.91
Additions (deletions)	497.48	(419.61)
Finance cost for the year	261.07	230.89
Payment of lease rentals	825.72	763.76
Balance as at the end of the year	<u>2,463.26</u>	<u>2,530.43</u>

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2022 on an undiscounted basis:

Less than one year	827.97	682.90
One to two years	854.16	630.28
Two to five years	1,211.84	1,736.11
More than five years	-	13.19
Balance as on 31 March 2022	<u>2,893.97</u>	<u>4,092.35</u>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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

Current lease liabilities	617.54	612.92
Non-current lease liabilities	1,845.72	2,819.99

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**PayU Payments Private Limited**

Notes to consolidated financial statements for the period ended 31 March 2022

(All amount in ₹ Lakhs unless otherwise stated)

**4.3. Segment information**

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of directors of the Group. The Board of Directors of the Group, which has been identified as being the Chief Operating Decision Maker (CODM) (as defined in Ind AS 108 - 'Operating Segments'), evaluates the Group's performance, allocates resources based on the analysis of the various performance indicators of the Group as a single unit.

The Group has two principal operating and reporting segments; viz.

- 1. Payment gateway services; and
- 2. NBFC Lending business.

**4.3.1 Primary Segment Information: Segment profit and loss**

(as at year ended 31 March 2022 and 31 March 2021)

The Group's loss from continuing operations represents single segment being payment gateway services. The segment namely "NBFC Lending business has been classified as a discontinued operation held for sale and the same has been sold during the year. For details of loss from discontinuing operations, please refer note 41.

**4.3.2 Other Information: Operating segment assets and liabilities**

(as at 31 March 2022)

The Group's assets and liabilities as at 31 March 2021 represents single segment being payment gateway services since Group's other segment namely "NBFC Lending business has been classified as a discontinued operation held for sale. Accordingly, all related assets and liabilities have been disclosed as Assets and Liabilities held for sale. For details, please refer note 41.

**4.3.3 Geographical information**

**(i) Revenue from external customers**

All the revenue recognised during the year is domestic, i.e. from within India only.

**(ii) Non-current operating assets**

All the non current operating assets are located in India only.

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets and intangible assets.

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## 44. Relationship with struck off companies

Name of struck off company	Nature of transactions	Transactions during the current year	Balance outstanding as at 31 March 2022	Relationship with struck off company
Shukhr Coaching Classes Private Limited	Receivables	4.17	-	Merchant
Swazmin Neuroscience Limited	Receivables	2.29	-	Merchant
Hifres Technologies Private Limited	Receivables	4.62	-	Merchant
Gulf View Club And Resorts Private Limited	Receivables	2.25	-	Merchant
Aec Com Private Limited	Receivables	0.47	-	Merchant
Analytics Vidhya Educon Private Limited	Receivables	1.67	-	Merchant
Hakersville India Private Limited	Receivables	0.92	-	Merchant
The Basics Digital Solutions Private Limited	Receivables	0.46	-	Merchant
Si Online Technomart Private Limited	Receivables	0.52	-	Merchant
Neurosoft Solutions Private Limited	Receivables	0.24	-	Merchant
U Anugraha Mall Private Limited	Receivables	0.54	-	Merchant
Ara Technological Solutions Private Limited	Receivables	0.45	-	Merchant
Navanya Agnitech Private Limited	Receivables	0.11	-	Merchant
Scrusoft Solutions Private Limited*	Receivables	0.00	-	Merchant
Rose Agro India Private Limited	Receivables	0.06	-	Merchant
Uriday Automobiles Private Limited	Receivables	0.03	-	Merchant
Tices Retail Private Limited	Receivables	0.06	-	Merchant
Hifres Technologies Private Limited	Receivables	0.06	-	Merchant
Ithizcom Private Limited*	Receivables	0.00	-	Merchant
Adidev Herbals Private Limited*	Receivables	0.00	-	Merchant
I Have Masala Private Limited	Receivables	0.04	-	Merchant
Mpcos Limited*	Receivables	0.00	-	Merchant
Xcess Infostore Private Limited	Receivables	0.01	-	Merchant
Hifres Technologies Private Limited	Receivables	0.03	-	Merchant
Aspire Media Private Limited	Receivables	0.02	-	Merchant
St. Spyware Solutions Private Limited	Receivables	0.02	-	Merchant
Harshita Chemicals Private Limited	Receivables	0.01	-	Merchant
Sarowar Quality Certification Private Limited	Receivables	0.01	-	Merchant
Sixth Sense Marketing Private Limited	Receivables	0.02	-	Merchant
Catalyser Edventures (India) Private Limited	Receivables	0.01	-	Merchant
E-Planet Infomedia India Private Limited*	Receivables	0.00	-	Merchant
Si Online Technomart Private Limited*	Receivables	0.00	-	Merchant
Cheres Infomedia Private Limited	Receivables	0.01	-	Merchant
Rajesh Patel Net Services Private Limited*	Receivables	0.00	-	Merchant
Sanda Agnitech Private Limited	Receivables	0.01	-	Merchant
Colorful Travel Price Private Limited	Receivables	0.01	-	Merchant
Incriti Bi Private Limited*	Receivables	0.00	-	Merchant
Panjan Limited*	Receivables	0.00	-	Merchant
Om Shree Trade Mart Private Limited*	Receivables	0.00	-	Merchant
Inventus Journals Private Limited*	Receivables	0.00	-	Merchant
Nanotekela Technologies Private Limited*	Receivables	0.00	-	Merchant
Trimbakeshwar Agro Industries Private Limited*	Receivables	0.00	-	Merchant
Access Edutech Private Limited*	Receivables	0.00	-	Merchant
Tan-15 Technologies Private Limited*	Receivables	0.00	-	Merchant
Sk Spyware Solutions Private Limited*	Receivables	0.00	-	Merchant

\* Transaction amount is appearing to be Rs 0.00 lakhs due to rounding off threshold.



Name of struck off company	Nature of transactions	Transactions during the previous year	Balance outstanding as at 31 March 2021	Relationship with struck off company
Shukhr Coaching Classes Private Limited	Receivables	4.17	-	Merchant
Swarmin Nanoscience Limited	Receivables	2.56	-	Merchant
Golf View Club And Resorts Private Limited	Receivables	1.27	-	Merchant
Acc Com Private Limited	Receivables	2.46	-	Merchant
Analytics Vidyaya Educon Private Limited	Receivables	0.69	-	Merchant
Hakersville India Private Limited	Receivables	0.53	-	Merchant
The Basics Digital Solutions Private Limited	Receivables	0.81	-	Merchant
Si Online Technomart Private Limited	Receivables	0.48	-	Merchant
Scisoft Solutions Private Limited	Receivables	0.61	-	Merchant
Campus Mall Private Limited	Receivables	0.20	-	Merchant
Ara Technolegal Solutions Private Limited	Receivables	0.24	-	Merchant
Walkaway Web Solutions Private Limited	Receivables	0.45	-	Merchant
Sawariya Agrotech Private Limited	Receivables	0.17	-	Merchant
Senssoft Solutions Private Limited	Receivables	0.27	-	Merchant
Rise Agro Infra Private Limited	Receivables	0.11	-	Merchant
Hinday Automobiles Private Limited	Receivables	0.07	-	Merchant
Analytics Vidyaya Educon Private Limited	Receivables	0.09	-	Merchant
Trees Retail Private Limited	Receivables	0.02	-	Merchant
Unives Technologies Private Limited*	Receivables	0.00	-	Merchant
Intezon Private Limited	Receivables	0.05	-	Merchant
Adisev Herbals Private Limited	Receivables	0.05	-	Merchant
Dave Masala Private Limited	Receivables	0.01	-	Merchant
Aartech Solutions Limited	Receivables	0.04	-	Merchant
Infogravity Solutions Private Limited	Receivables	0.04	-	Merchant
Holri Enterprises Private Limited	Receivables	0.03	-	Merchant
Mpcn Limited	Receivables	0.03	-	Merchant
Xcess Infostore Private Limited	Receivables	0.01	-	Merchant
Analytics Vidyaya Educon Private Limited	Receivables	0.03	-	Merchant
Master Mind Tutorials Private Limited	Receivables	0.02	-	Merchant
Haylde Chemicals Private Limited	Receivables	0.01	-	Merchant
Surewin Quality Certification Private Limited	Receivables	0.01	-	Merchant
Acc Com Private Limited	Receivables	0.01	-	Merchant
Catalyser Educventures (India) Private Limited*	Receivables	0.00	-	Merchant
1-Planet Infomedia India Private Limited	Receivables	0.01	-	Merchant
S. Chulne Technomart Private Limited	Receivables	0.01	-	Merchant
Cherev Infomedia Private Limited*	Receivables	0.00	-	Merchant
Rajesh Patel Net Services Private Limited	Receivables	0.01	-	Merchant
Sanda Agrotech Private Limited*	Receivables	0.00	-	Merchant
Marvelous Tech Solutions Private Limited	Receivables	0.01	-	Merchant
Colorful Travel Price Private Limited*	Receivables	0.00	-	Merchant
Mastishka Intelligs Private Limited	Receivables	0.01	-	Merchant
Incert It Private Limited	Receivables	0.01	-	Merchant
Pongon Limited	Receivables	0.01	-	Merchant
One Shree Trade Mart Private Limited*	Receivables	0.00	-	Merchant
Invents Journals Private Limited*	Receivables	0.00	-	Merchant
Somoneka Technologies Private Limited*	Receivables	0.00	-	Merchant
Vapnirastha Financial Research Private Limited*	Receivables	0.00	-	Merchant
Vastu Fectomes Private Limited*	Receivables	0.00	-	Merchant
Levant Servcon Private Limited*	Receivables	0.00	-	Merchant
Access Edutech Private Limited*	Receivables	0.00	-	Merchant
Latajpur City Transport Services Limited*	Receivables	0.00	-	Merchant
Easy Media Network Private Limited*	Receivables	0.00	-	Merchant
Four3 Technologies Private Limited*	Receivables	0.00	-	Merchant
A 2 Z Packaging Bazaar Private Limited*	Receivables	0.00	-	Merchant
Velocity Brand Server Private Limited*	Receivables	0.00	-	Merchant

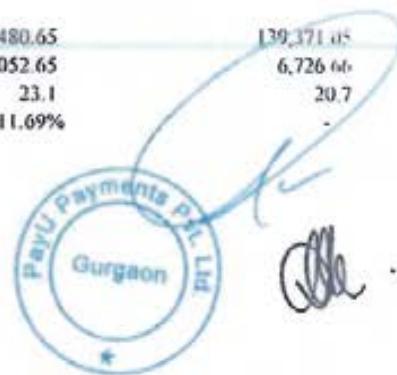
\* /Amount or amount is appearing to be Rs 0.00 lakhs due to rounding off threshold.



45. Ratios to be disclosed as per requirement of Schedule III to the Act

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Current ratio		
Current assets (Numerator)	32,932.68	77,571.28
Current liabilities (Denominator)	37,060.94	61,655.70
Current ratio	0.9	1.3
% Change as compared to the preceding year	-29.37%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
Reduction in current liability due to execution of sale of equity shares of PayU Finance India Private Limited and reduction in current assets due to disposal of non current assets held for sale		
b. Debt-equity ratio		
Total debt (Numerator)	6,746.65	6,813.82
Shareholder's equity (Denominator)	115,086.62	71,310.37
Debt-equity ratio	6%	10%
% Change as compared to the preceding year	38.65%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
Reduction in debt due to repayment of inter-corporate deposit received from PayU Finance India Private Limited and issue of fresh equity share capital during the year		
c. Debt service coverage ratio		
Earnings available for debt service (Numerator) *	34,751.77	(12,248.72)
Debt service (Denominator) #	437.07	413.74
Debt service coverage ratio	79.5	(29.6)
% Change as compared to the preceding year	368.58%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
Coverage ratio has improved a lot due to profits during the year from sale of investment.		
* Earnings for Debt Service = Net Profit after taxes + Finance Cost + Depreciation		
# Debt service = Interest and Lease payments + Principal repayments		
d. Return on equity ratio		
Profit / (loss) for the period/year (Numerator)	35,188.83	(11,834.98)
Shareholder's equity (Denominator)	93,198.49	79,463.15
Return on equity	38%	-15%
% Change as compared to the preceding year	353.51%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
Return on equity has improved a lot due to profits during the year from sale of investment.		
e. Trade receivables turnover ratio		
Net sales (Numerator)	209,480.65	139,371.05
Average trade receivable (Denominator) *	9,052.65	6,726.66
Trade receivables turnover ratio	23.1	20.7
% Change as compared to the preceding year	11.69%	-

\* Average trade receivables = {(Opening balance + Closing balance) / 2}



i. Trade payables turnover ratio		
Purchases of services and other expenses	191,752.43	125,136.03
Average trade payable (Denominator)*	2,969.40	2,058.59
Trade payables turnover ratio	64.6	60.8
% Variance	6.23%	

\* Average trade payables =  $\{(Opening\ balance + Closing\ balance) / 2\}$

g. Net capital turnover ratio		
Net sales (Numerator)	209,480.65	139,371.05
Working capital (Denominator)	(4,128.26)	15,915.58
Net capital turnover ratio	(50.7)	8.8
% Change as compared to the preceding year	679.46%	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:

Revenue growth along with higher efficiency on working capital improvement has resulted in an improvement in the ratio.

h. Net profit ratio		
Profit (loss) for the period/year (Numerator)	35,188.83	(11,834.98)
Net sales (Denominator)	209,480.65	139,371.05
Net profit ratio	14%	-8%
% Change as compared to the preceding year	262.51%	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:

Net profit has improved a lot due to profits during the year from sale of investment.

i. Return on capital employed		
Earning before interest and taxes (Numerator)	35,188.83	(11,834.98)
Capital employed (Denominator)*	126,606.77	101,898.69
Return on capital employed	28%	-12%
% Change as compared to the preceding year	339.30%	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:

Earnings has increased due to an exceptional item of profits from sale of investments during the year.

\* Capital Employed = Total equity + Total debt

j. Return on investment		
Earning before interest and taxes (Numerator)	35,188.83	(11,834.98)
Closing total assets	163,667.71	163,554.39
Return on investment	21.50%	-7.24%
% Change as compared to the preceding year	397.12%	-

Earnings has increased due to an exceptional item of profits from sale of investments during the year.

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**PayU Payments Private Limited**  
**Notes to Consolidated Financial Statements for the year ended 31 March 2022**

**4b. Investment in Associate**

The Group has a retained interest of 47% interest in PayU Finance as at May 31, 2022 after sale of equity shares to PaySense services (refer note 41). During the year, PayU Finance has raised additional equity in PaySense services in two batches i.e. August 11, 2022 and March 01, 2022. As a result of the said infusion, the interest in PayU Finance has diluted from 47% as at May 31, 2022 to 37% as at March 31, 2022. The Group's interest in PayU Finance is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in Associate.

As at March 31, 2022

Particulars	March 31, 2022
Financial assets	125,500.76
Non-financial assets	3,047.76
Non-financial liabilities	(3,649.43)
Equity	50,000.22
Proportion of the Group's ownership (after dilution)	39%
Group share in Equity	23,399.21
Goodwill (refer note below)	15,719.23
Total carrying amount of the investment	39,118.44

For the year ended March 31, 2022

Particulars	June 30, 2021- March 31, 2022
Revenue from operations	23,478.89
Other income	1,261.05
Finance costs	(1,118.49)
Loss and consummation expense	(6,099.02)
Employee benefits expense	(9,402.48)
Depreciation and amortisation expense	(145.47)
Impairment on financial instruments	(4,133.94)
Other expenses	(7,529.09)
Profit before tax	(4,329.47)
Income tax expense	-
Profit after tax	(4,329.47)
Other comprehensive income	(3.57)
Total comprehensive income for the year	(4,332.04)
Group's share of profit for the year	(1,761.13)

Note1 Calculation of Goodwill as at May 31, 2021

Particulars	May 31, 2021
Fair value of identifiable assets	54,559.76
Fair value of identifiable liabilities	(12,160.00)
Fair value of Net identifiable assets	42,399.76
Proportion of the Group's ownership	47%
Group share in Equity (A)	17,443.45
1/4 of the investment (B)	49,283.85
Goodwill (B-A)	21,938.40

Note2 Calculation of Impact of dilution on Group's share in Equity

Particulars	March 31, 2022
Group's share in equity as at May 31, 2021	17,443.45
Loss during the period (June 01, 2021 to March 31, 2022)	(1,761.13)
Additional share of Group on account of additional equity infusion as associate	10,570.53
Decrement of carrying value on account of dilution	(2,762.64)
Group's share in equity as at March 31, 2022	23,399.21

Particulars

Particulars	March 31, 2022
Goodwill as at May 31, 2021	21,938.40
Decrement of goodwill on account of dilution	(6,219.17)
Goodwill as at March 31, 2022	15,719.23

Note2 Calculation of Impact on Profit & Loss

Particulars	June 30, 2021- March 31, 2022
Group's share of profit for the year	(1,761.13)
Cost on dilution of stake	1,992.72
Total	(163.41)



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PayU Payments Private Limited  
Notes to Consolidated Financial Statements for the year ended 31 March 2022

47 (A) Statement of net assets, profit and loss and other comprehensive income attributable to owners and non-controlling interests

Name of the entity	Net Assets		Share in profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net Assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated OCI	Amount	As % of consolidated OCI	Amount
<b>Parent</b>								
PayU Payments Private Limited	100%	1,15,250.03	36%	12,583.44	102%	67.02	38%	12,650.45
<b>Associate</b>								
PayU Finance India Private Limited	35%	40,350.70	0%	-162.10	-2%	-1.31	0%	-163.41

47 (B) Additional regulatory information not disclosed elsewhere in the financials.

- a) The Holding Company and its associate company does not have any Benami property and no proceedings have been initiated or pending against the Holding Company and its associate company for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- b) The Holding Company and its associate company does not have any charge which is yet to be registered with ROC beyond the statutory period.
- c) The Holding Company and its associate company has not traded or invested in Crypto currency or Virtual Currency during the current and previous
- d) The Holding Company and its associate company has not advanced or provided loan to or invested funds in any entity(ies) including foreign entities (Intermediaries) or to any other person(s), with the understanding that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its associate company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- e) The Holding Company and its associate company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Holding Company and its associate company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- f) The Holding Company and its associate company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- g) The Holding Company and its associate company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- h) The Holding Company and its associate company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

47 (C) The Holding Company has not had any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022. Further, the Associate Company has made provision on long-term contracts as required under applicable laws or accounting standards and didn't have any derivative contracts as at 31 March 2022.



PayU Payments Private Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2022

48 Transfer Pricing

The Group has 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. As the law requires existence of such information and documentation to be contemporaneous in nature, the Group appoints independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associate enterprises are undertaken, during the financial year, on an "arm's length basis". The adjustments, if any, arising from such transfer pricing study shall be accounted for as and when the study is completed for the current financial year. However, the management is of the opinion that its international transactions are at arm's length and the aforesaid legislation will not have any material impact on the financial statements.

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

50 The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

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

52 Previous year's amounts have been regrouped and reclassified to make them comparable with current year's amounts, where necessary.

For Walker Chandani & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

*Neeraj Goyal*

Partner

Membership No.: 099514

Place: Gurugram

Date: 26 September 2022



For and on behalf of board of directors

PayU Payments Private Limited

CIN: U72400MH12006PTC293037

*Amirban Mukherjee*

CEO & Director

DIN - 07157583

Mumbai

26 September 2022

*Maneesh Goyal*

CFO

DIN - 07636513

Gurugram

26 September 2022

*Amitash Mehta*

Director

DIN - 02654599

Dallas

26 September 2022

*Amritpal Singh*

Company Secretary

Gurugram

26 September 2022



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