DRAFT RED HERRING PROSPECTUS
Dated September 7, 2021
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

INDIA1 PAYMENTS LIMITED

Our Company was incorporated on June 30, 2006 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, with the name "Banktech India Private Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Maharashtra at Mumbai. The registered office of our Company was shifted from Mumbai, Maharashtra to Bengaluru, Karnataka and a certificate of registration of the Company Law Board order for change of state was issued to us by the Registrar of Companies, Karnataka at Bengaluru ("**RoC**") on August 8, 2009. Subsequently, the name of our Company was changed to "BTI Payments Private Limited" pursuant to our Shareholders' resolution dated January 31, 2013 and a fresh certificate of incorporation was issued by the RoC on February 18, 2013. The name of our Company was changed to "India1 Payments Private Limited" pursuant to our Shareholders' resolution dated August 17, 2021 and a fresh certificate of incorporation was issued by the RoC on August 25, 2021. Pursuant to the conversion of our Company to a public limited company and as approved by our Shareholders pursuant to a resolution dated August 26, 2021, the name of our Company was changed to "India1 Payments Limited" and the RoC issued a fresh certificate of incorporation on September 2, 2021. For details of the change in the name and the registered office of our Company, see "***History and Certain Corporate Matters***" on page 177.

Corporate Identity Number: U93090KA2006FLC050581
Registered and Corporate Office: Units No. 801 to 810, 8th Floor, Tower "B", Diamond District, # 150, Old Airport Road, Bengaluru, Karnataka, India 560 008; **Tel**: 080 4357 4400
Contact Person: Mohit Nagar, Company Secretary and Compliance Officer; **Tel**: 080 4357 4509
E-mail:corporate.secretarial@india1.co.in; **Website**: www.india1payments.in

OUR PROMOTERS: DAVID SCOTT GLEN, THE BANKTECH GROUP PTY LTD AND BTI PAYMENTS SINGAPORE PTE. LTD.

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF INDIA1 PAYMENTS LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹1,500 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 10,305,180* EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION COMPRISING AN OFFER FOR SALE OF UP TO 100,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY THE BANKTECH GROUP PTY LTD, UP TO 2,508,430 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY BTI PAYMENTS SINGAPORE PTE. LTD. (TOGETHER WITH THE BANKTECH GROUP PTY LTD REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDERS"), AND UP TO 4,994,391 EQUITY SHARES BY INDIA ADVANTAGE FUND S3 I, UP TO 2,486,170 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY INDIA ADVANTAGE FUND S4 I AND UP TO 216,189 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY DYNAMIC INDIA FUND S4 US I (TOGETHER WITH INDIA ADVANTAGE FUND S3 I AND INDIA ADVANTAGE FUND S4 I REFERRED TO AS THE "INVESTOR SELLING SHAREHOLDERS", AND COLLECTIVELY TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS REFERRED TO AS THE "SELLING SHAREHOLDERS", AND EACH INDIVIDUALLY, AS A "SELLING SHAREHOLDER" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹[●] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES NOT EXCEEDING 5% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs"), MAY OFFER A DISCOUNT OF UP TO 10% OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.
**Includes Equity Shares to be issued pursuant to conversion of CCPS prior to the filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) and Regulation 8 of SEBI ICDR Regulations.*

OUR COMPANY MAY, AT ITS DISCRETION, CONSIDER ISSUING EQUITY SHARES ON A PRIVATE PLACEMENT BASIS FOR CASH CONSIDERATION AGGREGATING UP TO ₹300 MILLION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC (THE "PRE-IPO PLACEMENT"). THE PRICE OF THE EQUITY SHARES ALLOTTED PURSUANT TO THE PRE-IPO PLACEMENT SHALL BE DETERMINED BY OUR COMPANY AND SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (THE "SCRR").

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN [●] EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER, [●], [●] EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER, [●] AND [●] EDITIONS OF THE [●] NEWSPAPER [●] (WIDELY CIRCULATED KANNADA NATIONAL NEWSPAPER, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA, WHERE THE REGISTERED AND CORPORATE OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED (THE "BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE "NSE", AND TOGETHER WITH THE BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES

In case of a revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). The Offer is being made through the Book Building Process, in compliance with Regulation 6(2) of SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"), of which one-third shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors ("**Non-Institutional Category**") and not more than 10% of the Offer shall be available for allocation to Retail Individual Investors ("**Retail Category**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process, and shall provide details of their respective bank account (including UPI ID for Retail Individual Investors using UPI Mechanism) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "***Offer Procedure***" on page 323.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹5 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company and the Selling Shareholders, in consultation with the BRLMs), in accordance with the SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" on page 102, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 23.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or the other Selling Shareholders, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. We have received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purpose of the Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" on page 361.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 Maharashtra, India **Tel.:** +91 22 6630 3030 **E-mail**: india1payments.ipo@jmfl.com **Investor grievance e-mail:** grievance.ibd@jmfl.com **Contact person:** Prachee Dhuri **Website:** www.jmfl.com **SEBI Registration:** INM000010361	**Edelweiss Financial Services Limited** 6th Floor, Edelweiss House Off C.S.T. Road, Kalina Mumbai 400 098 Maharashtra, India **Tel:** (+ 91 22) 4009 4400 **E-mail:**India1.ipo@edelweissfin.com **Website:** www.edelweissfin.com **Investor grievance E-mail:** customerservice.mb@edelweissfin.com **Contact person:** Lokesh Shah **SEBI Registration No.:** INM0000010650	**IIFL Securities Limited*** 10th Floor, IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013 Maharashtra, India **Tel:** +91 22 4646 4600 **E-mail:** india1.ipo@iiflcap.com **Investor grievance e-mail:** ig.ib@iiflcap.com **Website**: www.iiflcap.com **Contact Person:** Dhruv Bhagwat/ Keyur Ladhawala **SEBI Registration No.:** INM000010940	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L. B. S. Marg, Vikhroli West Mumbai - 400 083 Maharashtra, India **Tel:** +91 22 4918 6200 **E-mail:** india1.ipo@linkintime.co.in **Investor grievance E-mail:**india1.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No:** INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENS ON*	[●]	BID/OFFER CLOSES ON**	[●]

** Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
** * Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any statute or rules or guidelines or regulations or policies or Articles of Association or Memorandum of Association will include any amendments, clarifications, modifications, replacements or re-enactments thereto, from time to time and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*Notwithstanding the foregoing, terms in the chapters/sections "**Statement of Special Tax Benefits**", "**Industry Overview**", "**Key Regulations and Policies in India**", "**Basis for Offer Price**", "**History and Certain Corporate Matters**", "**Financial Statements**", "**Outstanding Litigation and Material Developments**", "**Main Provisions of Articles of Association**" and "**Offer Procedure**" on pages 105, 110, 172, 102, 177, 209, 295, 343 and 323, respectively, will have the meaning ascribed to such terms in these respective chapters/sections.*

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

General Terms

Term	Description
"the Company", "our Company", or "the Issuer" or "we", "our" or "us"	India1 Payments Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered and corporate office at Units No. 801 to 810, 8th Floor, Tower "B", Diamond District, # 150, Old Airport Road, Bengaluru, Karnataka, India 560 008

Company related terms

Term	Description
2019 CCPS	0.0001% compulsorily convertible preference shares of ₹ 10 each
Articles of Association or AoA	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, as described in "***Our Management***" on page 185.
"Auditors" or "Statutory Auditors"	The current statutory auditors of our Company, namely, Walker Chandiok & Co LLP, Chartered Accountants.
BTI Payments Singapore	BTI Payments Singapore Pte. Ltd., one of our corporate Promoters
"Board" or "Board of Directors"	The board of directors of our Company (including any duly constituted committee thereof). For details, see "***Our Management***" on page 185.
CCPS(s)	Fully paid-up compulsorily convertible preference shares of our Company of face value of ₹ 10 each.
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, namely Sanjay Bajaj. For details, see "***Our Management***" on page 185.
Company Secretary and Compliance Officer	The company secretary of our Company and compliance officer appointed in relation to the Offer, namely Mohit Nagar. For details, see "***Our Management***" on page 185.
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act. For details, see "***Our Management***" on page 185.
CRISIL	CRISIL Limited
CRISIL Report	Report titled "*Assessment of ATM Industry in India*", dated September 2021, prepared by CRISIL
Director(s)	The director(s) on our Board. For details, see "***Our Management***" on page 185.
Equity Shares	The equity shares of our Company of a face value of ₹ 5 each
ESOP Plan	INDIA1 Employee Stock Option Plan 2021 as described in "***Capital Structure***" on page 78
ESOP Scheme	The employee stock option scheme instituted by our Company, namely, INDIA1 Employee Stock Option Scheme 2021
Group Companies	In terms of Regulation 2(1)(t) of the SEBI ICDR Regulations, the term "group companies" includes companies (other than the corporate Promoter) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the

Term	Description
	applicable accounting standards, and any other companies as considered material by the Board, in accordance with the resolution dated September 3, 2021 passed by the Board
Independent Director(s)	Independent director(s) on the Board and eligible to be appointed as independent director(s) under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "***Our Management***" on page 185
Investor Selling Shareholders	India Advantage Fund S3 I, India Advantage Fund S4 I and Dynamic India Fund S4 US I
Key Managerial Personnel or KMP	The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, and as described in "***Our Management***" on page 185
Managing Director and Chief Executive Officer	The managing director and chief executive officer of our Company, namely K Srinivas. For details, see "***Our Management***" on page 185
Materiality Policy	The policy adopted by the Board on September 3, 2021 for (i) material outstanding litigation; (ii) identification of Group Companies; and (iii) outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
Memorandum of Association or MoA	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of the Board
Non-executive Director(s)	The non-executive(s) Directors of our Company. For details, see "***Our Management***" on page 185.
Promoter CCPS	0.0001% compulsorily and mandatorily convertible preference shares of ₹ 10 each, issued to BTI Payments Singapore
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "***Promoters and Promoter Group***" on page 203
Promoter Selling Shareholders	Together, The Banktech Group and BTI Payments Singapore
Promoters	The promoters of our Company being, David Scott Glen, The Banktech Group, BTI Payments Singapore
Registered and Corporate Office	The registered and corporate office of our Company, situated at Units No. 801 to 810, 8th Floor, Tower "B", Diamond District, # 150, Old Airport Road, Bengaluru, Karnataka, India 560 008
Restated Financial Statements	Restated Ind AS Summary Statements of the Company which comprises of the Restated Ind AS Summary Statement of Assets and Liabilities as at the Fiscals ended March 31, 2021, 2020 and 2019, the Restated Ind AS Summary Statement of Profit and Loss (including other comprehensive income), the Restated Ind AS Summary Statement of Changes in Equity and the Restated Ind AS Summary Statement of Cash Flows for each of the years ended 2021, 2020 and 2019 and the significant accounting policies and explanatory notes to Restated Ind AS Summary Statements of the Company and included in "***Financial Statements***" on page 209
Registrar of Companies or RoC	Registrar of Companies, Karnataka, at Bengaluru
Selling Shareholders	Together, the Promoter Selling Shareholders and the Investor Selling Shareholders
Shareholders	The holders of the Equity Shares from time to time
Stakeholders Relationship Committee	The stakeholders relationship committee of the Board
The Banktech Group	The Banktech Group Pty Ltd, one of our corporate Promoters

Offer related terms

Term	Description
Acknowledgment Slip	The slip or document to be issued by the respective Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
'Allot' or 'Allotment' or 'Allotted'	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 100 million

Term	Description
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor investors, and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations. One third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors, which price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers
Application Supported by Blocked Amount or ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorising the relevant SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by RIIs using the UPI Mechanism where the Bid Amount will be blocked by SCSBs upon acceptance of UPI Mandate Request
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders Bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bankers to the Offer	Collectively, the Escrow Bank, the Public Offer Account Bank, the Refund Bank and the Sponsor Bank
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" on page 323
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retail Individual Investors Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RII and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Issue However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including an ASBA Form, and which shall be considered as the application for the Allotment of Equity Shares pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional

Term	Description
	language of Karnataka). In case of any revisions, the extended Bid/Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate. Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers may consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka) and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members and also intimated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations
Bid/Offer Period	Except in relation to Bids received from the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers may consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, in accordance with the SEBI ICDR Regulations.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated SCSB Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer, in this case, being JM Financial Limited, Edelweiss Financial Services Limited and IIFL Securities Limited
Broker Centres	Broker centres of the Registered Brokers where Bidders (other than Anchor Investors) can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof
Cash Escrow and Sponsor Bank Agreement	The agreement dated [●], to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors transfer of funds to the Public Offer Account and where applicable remitting refunds, if any, to such Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant, as defined under the Depositories Act and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI
Cut-off Price	The Offer Price, finalised by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, which shall be any price within the Price Band. Only Retail Individual Investors and Eligible Employees Bidding under the Employee

Term	Description
	Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable
Designated CDP Locations	Such centres of the CDPs where Bidders (except Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by Retail Individual Investors and the Eligible Employees Bidding in the Employee Reservation Portion by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by Retail Individual Investors where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such Retail Individual Investors, as the case may be, using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the CRTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus	This draft red herring prospectus dated September 7, 2021 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares are offered and the size of the Offer, and includes any addenda or corrigenda thereto
Edelweiss	Edelweiss Financial Services Limited
Eligible Employee(s)	Permanent employees of our Company (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form; or Director of our Company, whether a whole-time Director or otherwise, not holding either himself / herself or through their relatives or through any body corporate, directly or indirectly, more than 10% of the outstanding Equity Shares (excluding our Promoters and members of Promoter Group and other Directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company until submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000

Term	Description
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Eligible FPI	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices
Employee Discount	Our Company in consultation with the BRLMs, may offer a discount of up to 10 % to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees and which shall be announced at least two Working Days prior to the Bid / Issue Opening Date
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares which shall not exceed 5% of the post Issue Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account	Account opened with the Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS or NACH in respect of the Bid Amount when submitting a Bid
Escrow Bank	The bank, which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case, being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	Fresh issue of up to [●] Equity Shares by our Company aggregating up to ₹ 1,500 million to be issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and the Prospectus
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
IIFL	IIFL Securities Limited
JM Financial	JM Financial Limited
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
NBFC-SI	Systemically important non-banking financial company defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations and covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations as a QIB
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer Expenses to the extent applicable to the Fresh Issue.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares allocated to the Anchor Investors.
Non-Institutional Category	The portion of the Offer, being not more than 15% of the Net Offer or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price
Non-Institutional Investors / NIIs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Offer	The public issue of [●] Equity Shares of face value of ₹ 5 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale. Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with rule 19(2)(b) of the SCRR.
Offer Agreement	The agreement dated September 7, 2021 entered into among our Company, the Selling Shareholders and the Book Running Lead Managers

Term	Description
Offer for Sale	The offer for sale of up to 10,305,180 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders in the Offer
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus and the Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to our Selling Shareholders. For further information about use of the Offer Proceeds, see "***Objects of the Offer***" beginning on page 93
Offered Shares	A total of up to 10,305,180 Equity Shares aggregating up to ₹[●] million comprising up to 100,000 Equity Shares aggregating up to ₹ [●] million being offered by The Banktech Group, up to 2,508,430 Equity Shares aggregating up to ₹ [●] million being offered by BTI Payments Singapore, up to 4,994,391 Equity Shares aggregating up to ₹ [●] million being offered by India Advantage Fund S3 I, up to 2,486,170 Equity Shares aggregating up to ₹ [●] million being offered by India Advantage Fund S4 I and up to 216,189 Equity Shares aggregating up to ₹ [●] million being offered by Dynamic India Fund S4 US I in the Offer for Sale
Pre-IPO Placement	Our Company may, at its discretion, consider issuing Equity Shares on a private placement basis for cash consideration aggregating up to ₹300 million, prior to filing of the Red Herring Prospectus with the RoC. The price of the equity shares allotted pursuant to the pre-ipo placement shall be determined by our company and selling shareholders in consultation with the BRLMs. If the pre-ipo placement is completed, the amount raised pursuant to the pre-ipo placement will be reduced from the Fresh Issue, subject to compliance with rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR").
Price Band	Price band ranging from a Floor Price of ₹ [●] per Equity Share to a Cap Price of ₹ [●] per Equity Share, including revisions thereof, if any. The Price Band will be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, and the minimum Bid Lot size will be determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, and advertised in [●] editions of [●] (a widely circulated English national newspaper) [●] editions of [●] (a widely circulated Hindi national newspaper) and [●] editions of [●] (a widely circulated [●] daily newspaper, [●] being the regional language of [●], where the Registered and Corporate Office is situated), at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, shall finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, including any addenda or corrigenda thereto and containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	The bank account to be opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank with whom the Public Offer Account is opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being [●]
QIB Category	The portion of the Offer, being not less than 75% of the Net Offer, or [●] Equity Shares, which shall be available for allocation on a proportionate basis to QIBs, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, the SEBI ICDR Regulations which will not have complete particulars of the price at which the Equity Shares shall be allotted and which shall be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the

Term	Description
	Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account	The account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank	The bank which are a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number no. CIR/CFD/14/2012 dated October 4, 2012 and the SEBI UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated September 7, 2021 entered into between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer	Link Intime India Private Limited
Retail Category	The portion of the Offer, being not more than 10% of the Offer, or [●] Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid Lot, subject to availability in the Retail Category
Retail Individual Investors /RIIs	Bidders (including HUFs and Eligible NRIs), whose Bid Amount for Equity Shares in the Offer is not more than ₹ 200,000 in any of the Bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form, as applicable. QIBs Bidding in the QIB category and Non-Institutional Investors Bidding in the Non-Institutional Category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during Bid/Offer period and withdraw their Bids until Bid/Offer Closing Date
SEBI UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
Self-Certified Syndicate Banks or SCSBs	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 Applications through UPI in the Offer could be made only through the SCSBs mobile applications (apps) whose name appears on SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the "list of mobile applications for using UPI in public issues" displayed on SEBI website. The said list shall be updated on SEBI website
Share Escrow Agent	[●]
Share Escrow Agreement	Agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank	A Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate

Term	Description
	collect requests and / or payment instructions of the Retail Individual Investors and carry out any other responsibilities, in terms of the SEBI UPI Circulars, in this case being [●]
Stock Exchanges	Together, BSE and NSE
Syndicate Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, in this case being [●]
Syndicate or members of the Syndicate	Collectively, the Book Running Lead Managers and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI ID	Identity document created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the Retail Individual Investors, by way of a notification on the UPI application and by way of a SMS directing the Retail Individual Investors to such UPI application) to the Retail Individual Investors initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI application equivalent to Bid Amount, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Offer in accordance with the SEBI UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day(s)	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the SEBI UPI Circulars

Conventional and general terms and abbreviations

Term	Description
AIFs	Alternative Investment Funds as defined in and registered with SEBI under the SEBI AIF Regulations
Bn	Billions
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016
CCDs	Compulsorily and mandatorily Convertible Debentures
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 2013 or Companies Act	The Companies Act, 2013, read with the rules, regulations, clarifications and amendments thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
COVID-19	The novel coronavirus disease, which is an infectious disease caused by a newly discovered coronavirus strain that was discovered in 2019 and has resulted in a global pandemic
CRISIL	CRISIL Research, a division of CRISIL Limited
CSR	Corporate social responsibility
Depositories Act	Depositories Act, 1996, read with the rules, regulations, amendments and modifications thereunder
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depository Participant or DP	A depository participant as defined under the Depositories Act
DDT	Dividend Distribution Tax
DIN	Director Identification Number

Term	Description
DP ID	Depository Participant's identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
ESIC	Employees' State Insurance Corporation
FCNR Account	Foreign Currency Non-Resident (Bank) Account established in accordance with provisions of FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal/FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GDS	Gross Domestic Savings
Government of India, Central Government or GoI	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu undivided family(ies)
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 and referred to in the Ind AS Rules
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR, Rupee, ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IS	International Standards
IT	Information Technology
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal Cost of funds-based Lending Rate
MIS	Management Information System
Moody's	Moody's Investors Service
Mutual Funds	Mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NAV	Net Asset Value
NCDs	Non-Convertible Debentures
NCLT	National Company Law Tribunal
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR/Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
OFAC	U.S. Department of the Treasury of Foreign Assets Control
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio

Term	Description
PAN	Permanent Account Number
PAT	Profit After Tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
ROCE	Return on Capital Employed
ROE	Return on Equity
RoNW	Return on Net Worth
Rule 144A	Rule 144A under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI Debt Listing Regulations	Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
STT	Securities Transaction Tax
U. S. Securities Act	United States Securities Act of 1933, as amended
US$ or USD or US Dollar	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Industry and Business related terms

Term	Description
ATM	Automated Teller Machine
BLA	Brown Label ATMs
DBT	Direct Benefit Transfer
DR	Disaster Recovery
GTV	Gross Transaction Value
IAD	Independent ATM Deployer
ISP	Internet Service Provider
MATM	Micro-ATM
MIS	Management Information Software
MSP	ATM Managed Services
NFS	National Financial Switch
NPCI	National Payments Corporation of India
PIN	Personal Identification Number
PMJDY	Pradhan Mantri Jan Dhan Yojana
POS	Points of Sale Terminals
PSB	Public sector bank
SURU regions	Semi urban regions (population between 10,000 and 100,000) and rural regions (population under 10,000) in India
VSAT	Very small aperature terminals
WLA	White Label ATMs
WLAO	White label ATM Operator

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

Page Numbers

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

Certain conventions

All references in this Draft Red Herring Prospectus to "**India**" are to the Republic of India, together with its territories and possessions. All references in this Draft Red Herring Prospectus to the "**U.S.**", "**USA**" or "**United States**" are to the United States of America, together with its territories and possessions. All references in this Draft Red Herring Prospectus to "Australia", are to the Commonwealth of Australia. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

Financial data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. The restated summary statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the restated summary statements of profit and loss and the restated summary statement of cash flows for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, together with the summary statement of significant accounting policies, and other explanatory information, have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. For further information, see *"**Financial Information**"* on page 209. The Restated Financial Statements have been approved by the Board at their meeting held on September 3, 2021.

Our Restated Financial Statements have been compiled from our (i) audited special purpose Ind AS financial statements as at and for the Fiscal ended March 31, 2021. The information for the year ended 31 March 2021 included in such financial statements have been prepared by making Ind AS adjustments to the audited financial statements of our Company as at and for the year ended 31 March 2021, prepared in accordance with the accounting standards notified under the section 133 of the Act ("**Indian GAAP**") and (ii) proforma Ind AS financial information as at and for the Fiscals ended March 31, 2020 and 2019. The proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2020 and March 31, 2019.

There are significant differences between Indian GAAP, Ind AS, U.S. GAAP and IFRS. For details see "***Risk Factors – Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Draft Red Herring Prospectus***" on page 46. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**", "**Fiscal Year**" or "**FY**") are to the 12 months period ended March 31 of that particular year, unless otherwise specified.

All the figures in this Draft Red Herring Prospectus have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in "***Risk Factors***", "***Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 23, 153 and 270, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Financial Statements.

Non- GAAP Financial Measures

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, net worth, return on net worth, Net Asset Value per Equity Share, debt equity ratio, and certain other statistical information relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Industry and market data

The industry and market data set forth in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "***Risk Factors***" on page 23.

This Draft Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained from the report titled "*ATM Industry in India*" prepared by CRISIL Limited released in September 2021 which has been commissioned and paid for by our Company specifically for the purposes of the Offer and which is subject to the disclaimer mentioned below. Further CRISIL Limited, vide their letter dated September 3, 2021 ("**Letter**") has accorded their no objection and consent to use the 'ATM Industry in India' Report. CRISIL Limited, vide their Letter has also confirmed that they are an independent agency, and confirmed that it is not related to our Company, our Directors, our Promoters.

Disclaimer:

CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report

(Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. India1 Payments Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL Ratings Limited / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL Ratings Limited / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.

Currency and units of presentation

All references to "Rupee(s)", "Rs." or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "U.S. Dollars" or "USD" are to United States Dollars, the official currency of the United States of America. All references to "EUR" or "€" are to Euro, the official currency of the European Union.

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

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

(*in ₹*)

Currency	Exchange rate as on		
	March 31, 2021	**March 31, 2020**	**March 31, 2019***
USD	73.50	75.39	69.17

Source: www.rbi.org.in and www.fbil.org.in

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

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

NOTICE TO PROSPECTIVE INVESTORS

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of this Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A), in accordance with Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements, which include statements with respect to our business strategy, our expected revenue and profitability, our goals and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "objective", "plan", "propose", "project", "will continue", "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This could be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes in the industry we operate in and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India that may have an impact on our business or investments, monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates and prices, the general performance of Indian and global financial markets, changes in the competitive landscape and incidence of any natural calamities and/or violence. Significant factors that could cause our actual results to differ materially from our expectations include, but are not limited to:

- we operate in an industry which is highly regulated by the Reserve Bank of India and other government agencies;
- our success is dependent on the transaction throughput from our ATMs, and transaction throughput is dependent on a number of factors beyond our control including the prevailing economic conditions in the SURU regions;
- our business and financial performance are dependent on maintaining and growing our ATM network;
- the extent to which the Coronavirus disease affects our business and operations in the future;
- we rely on the RBI and scheduled banks to provide us with the cash that we require to operate our ATMs;
- substantially all of our revenues are from interchange fees earned on ATM transactions, and such interchange fees are determined by the RBI;
- inter-bank transactions in India are processed by the NPCI and there is no alternative processor for the same. Our ATM services would be disrupted if NPCI witnesses any interruption or downtime; and
- Uncertainty regarding similar events such as demonetisation measures imposed by the GoI in November 2016

For a further discussion of factors that could cause our actual results to differ from our expectations, see "***Risk Factors***", "***Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 23, 153 and 270, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect our views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, the Selling Shareholders, and the BRLMs or their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

In accordance with regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of filing of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholders, severally and not jointly, will ensure that investors are informed of material developments in relation to the statements and undertakings expressly made by the Selling Shareholders in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SUMMARY OF THE OFFER DOCUMENT

*This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "**Risk Factors**", "**Business**", "**Industry Overview**", "**Capital Structure**", "**The Offer**" and "**Outstanding Litigation and Material Developments**" beginning on at pages 23, 153, 110, 78, 61 and 295 respectively of this Draft Red Herring Prospectus.*

Summary of our primary Business

We are the largest independent non-bank ATM operator in India, based on the number of ATM transactions in Fiscal 2021 and installed base as of March 31, 2021 (Source: CRISIL Report, September 2021). As of June 30, 2021, we operated a network of 8,520 ATMs across 14 states and union territories in India, which we brand as "india1ATM". Our ATM business is focused on semi urban regions (population between 10,000 and 100,000) and rural regions (population under 10,000) in India (together the "SURU regions"), where 7,619 ATMs (89.42% of our ATMs) were located as of June 30, 2021.

Summary of the Industry in which we operate

As of March 31, 2021, the total number of ATMs deployed in India was 238,588 (excluding cash recyclers), and the number of installed ATMs has grown at a CAGR of 2.4% between Fiscal 2016 to Fiscal 2021. (Source: CRISIL Report, September 2021). CRISIL Research projects the number of ATMs installed in India to reach approximately 296,000 by March 2026, translating into net addition of approximately 57,000 deployments over a five-year period ending Fiscal 2026. (Source: CRISIL Report, September 2021). Most of these new deployments are expected by CRISIL Research to take place in the SURU regions. (Source: CRISIL Report, September 2021).

Our Promoters

Our Promoters are David Scott Glen, The Banktech Group and BTI Payments Singapore.

Offer size

The details in relation to the Offer is set forth below:

Offer^	[•] Equity Shares, aggregating up to ₹ [•] million
of which	
Fresh Issue(1) ^	[•] Equity Shares, aggregating up to ₹ 1,500 million
Offer for Sale(2)	Up to 10,305,180 Equity Shares, aggregating up to ₹ [•] million comprising up to 100,000 Equity Shares aggregating up to ₹ [•] million being offered by The Banktech Group, up to 2,508,430 Equity Shares aggregating up to ₹ [•] million being offered by BTI Payments Singapore, up to 4,994,391 Equity Shares aggregating up to ₹ [•] million being offered by India Advantage Fund S3 I, up to 2,486,170 Equity Shares aggregating up to ₹ [•] million being offered by India Advantage Fund S4 I and up to 216,189 Equity Shares aggregating up to ₹ [•] million being offered by Dynamic India Fund S4 US I
Employee Reservation Portion(3)	Up to [•] Equity Shares aggregating up to ₹ [•] million

^Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Upon allotment of Equity Shares issued pursuant to the Pre- IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects.

(1) The Offer has been authorised pursuant to the resolution dated September 4, 2021 passed by the Board and the Fresh Issue has been authorised pursuant to the resolution dated September 4, 2021 passed by the Shareholders.

*(2) The Selling Shareholders have, severally and not jointly, confirmed and authorized their respective participation in the Offer for Sale. The Equity Shares to be offered by each Selling Shareholder in the Offer for Sale have been held by them for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and are accordingly, eligible for being offered for sale in the Offer for Sale. For details see "**Other Regulatory and Statutory Disclosures**" on page 303. Further, the Equity Shares proposed to be offered by the Selling Shareholders includes all or a portion of the Equity Shares which will be issued upon conversion of the CCPS held by them. The conversion of CCPS will be completed prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations.*

(3) In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment

*made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ 500,000), shall be added to the Net Offer. For further details, see "**Offer Structure**" beginning on page 319.*

Objects of the Offer

The details regarding the use of the Net Proceeds is set forth below:

(₹ in million)

Particulars	Amount^
Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	632.50
Funding capital expenditure requirements of our Company for setting up of ATMs	492.74
General corporate purposes(1)	[●]
Total	[●]

(1)To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds from the Fresh Issue.

^ Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

For further details, see "***Objects of the Offer***" on page 93.

Aggregate pre-Offer shareholding of our Promoters, Promoter Group and Selling Shareholders

The aggregate pre-Offer shareholding of our Promoters, Promoter Group and Selling Shareholders as on the date of this Draft Red Herring Prospectus is set forth below:

Category of Shareholders	Number of Equity Shares / Preference Shares held	% of total paid up pre-Offer Equity Share/ Preference Share capital (%)
Equity Shares		
Promoters and Promoter Group		
The Banktech Group**#	6,925,192	37.44
BTI Payments Singapore#	2,516,960	13.61
Total	**9,442,152**	**51.05**
Investor Selling Shareholders		
India Advantage Fund S3 I	9,055,144	48.95
India Advantage Fund S4 I	310	*Negligible*
Dynamic India Fund S4 US I	28	*Negligible*
Total	**9,055,482**	**48.95**
CCPS*		
Promoters and Promoter Group		
BTI Payments Singapore	2,469,136	50.00
Total		
Investor Selling Shareholders	**2,469,136**	**50.00**
India Advantage Fund S4 I	2,271,495	46.00
Dynamic India Fund S4 US I	197,521	4.00
Total	**2,469,016**	**50.00**

***Including 2 Equity Shares held by David Scott Glen, our individual Promoter, and including 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominees of The Banktech Group*

#The Banktech Group and BTI Payments Singapore are the Promoter Selling Shareholders

**** To be converted into 13,930,676 Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations.*

Summary of selected financial information

The summary of selected financial information of the Company as per the Restated Financial Statements is set forth below:

(in ₹ million, other than share data)

Particulars	As of / for the Fiscal Year ended		
	March 31, 2021	March 31, 2020	March 31, 2019
Equity Share capital	92.49	92.49	92.49
Net Worth	1,963.16	1,485.50	495.63
Revenue from operations	3,175.98	2,560.56	2,292.81
Profit/(loss) after tax	33.38	(58.66)	(241.84)

Particulars	As of / for the Fiscal Year ended		
	March 31, 2021	March 31, 2020	March 31, 2019
EPS (basic) (₹)	1.80	(3.17)	(13.07)
EPS (diluted) (₹)	1.12	(3.17)	(13.07)
NAV per equity share (₹)	106.13	80.31	26.79
Total borrowings	9,146.95	4,725.68	4,899.31

Notes:

a. *Basic earnings per share = Net profit attributable to equity shareholders/ Weighted average number of shares outstanding during the year*

b. *Diluted earnings per share = Net profit attributable to equity shareholders/ Weighted average number of diluted potential shares outstanding during the year*
In compliance with IND AS 33 "Earnings per share", the disclosure of earnings per share for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 has been arrived at after giving effect to the sub-division from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each

c. *NAV (₹) = Net worth/ Number of equity shares as at the end of the year*

d. *Net worth has been computed as sum of paid up share capital and all reserves created out of profits and securities premium account and excluding non-controlling interests.*

e. *Total borrowings includes current maturities of long term borrowings, current and non-current borrowings. As of the same period, our Company has cash and cash equivalents, bank balances (other than cash and cash equivalents) and cash dispensed recoverable aggregating to ₹ 10,090.78 million, ₹5,440.36 million and ₹ 4,711.04 million as of March 31, 2021, March 31, 2020 and March 31, 2019 respectively*

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

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

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Promoters and our Directors, as on the date of this Draft Red Herring Prospectus, is set forth below:

Type of Proceedings	Number of cases	Amount* (*in ₹ million*)
Cases against our Company		
Criminal proceedings	1	-
Action by regulatory/statutory authorities	-	-
Material civil litigation	-	-
Total	**1**	**-**
Cases by our Company		
Criminal proceedings	5	0.1
Action by regulatory/statutory authorities	-	-
Material civil litigation	-	-
Total	**5**	**0.1**
Tax Proceedings involving our Company		
Tax proceedings involving our Company	2	12.38
Total	**2**	**12.38**
Cases involving our Directors (*other than our individual Promoter*)		
Criminal proceedings	5	-
Action by regulatory/statutory authorities	1	-
Tax proceedings	-	-
Material civil litigation	-	-
Total	**6**	**-**
Cases involving our Promoters		
Criminal proceedings	5	-
Action by regulatory/statutory authorities	-	-
Tax proceedings	-	-
Material civil litigation	-	-
Disciplinary action including penalty imposed by SEBI or stock exchanges	-	-
Total	**5**	**-**

** To the extent ascertainable.*

For further details of the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" on page 295.

Risk factors

For details in relation to certain risks applicable to us, see "***Risk Factors***" on page 23.

Summary of contingent liabilities and capital commitments of our Company

Our Company does not have any contingent liabilities (*claims/ demands not acknowledged as debt*), as of the financial year ended March 31, 2021. Details of capital commitments as on March 31, 2021 derived from the Restated Financial Statements are set forth below:

Particulars	Amount (in ₹ million) as on March 31, 2021
Capital commitments (net of capital advances)	724.59

Note: A show cause notice dated November 25, 2020 was issued by the RBI under the PSS Act on account of non-adherence with the requirements under RBI guidelines. Subsequently, on August 13, 2021, and pursuant to the show cause notice dated November 25, 2020, the RBI levied a fine of ₹20 million on our Company for failing to deploy 9,000 ATMs by February 12, 2017 and for not maintaining a net worth of ₹1,000 million between March 31, 2018 and August 21, 2019. The fine was duly paid to the RBI on August 24, 2021. For details please see "Risk Factors – Any RBI or other regulatory investigations, fines, sanctions, relating to our operations could negatively affect our business, results of operations and financial condition." on page 34.

For details of capital commitments as reported in the Restated Financial Statements, see "***Financial Statements – Contingencies and commitments***" on page 254.

Summary of related party transactions

The summary of the related party transactions entered into by our Company are set forth below:

(in ₹ million)

Particulars		Fiscals		
Nature of transaction	**Related parties with whom transactions have taken place**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Remuneration to KMP	K Srinivas	29.77	34.46	27.76
Remuneration to KMP	Sanjay Bajaj	11.59	11.45	9.70
Issue of CCPS	BTI Payments Singapore Pte Ltd	445.19	50.00	-

For details of the related party transactions and as reported in the Restated Financial Statements, see "***Financial Statements – Annexure VI – Note 37***" on page 251.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, the directors of The Banktech Group and BTI Payments Singapore, our corporate Promoters, the Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by the Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

Our Promoters have not acquired any Equity Shares of our Company in the one year preceding the date of this Draft Red Herring Prospectus (except 2 Equity Shares transferred by The Banktech Group to David Scott Glen, our individual Promoter, as nominee of The Banktech Group). Further, except as stated below, the Investor Selling Shareholders have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus. The weighted average price at which the Equity Shares were acquired by the Investor Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus is as follows:

S. No.	Category of Shareholders	Number of Equity Shares acquired**	Weighted average price of acquisition per Equity Share (₹)
Investor Selling Shareholders			
1.	India Advantage Fund S4 I*	310	143.71
2.	Dynamic India Fund S4 US I*	28	144.64

As per certificate issued by S D T & Co., Chartered Accountants dated September 7, 2021.

**Pursuant to conversion of 120 2019 CCPS into 169 equity shares of ₹ 10 each, i.e. 110 CCPS were converted into 155 equity shares and allotted to India Advantage Fund S4 I and 10 CCPS were converted into 14 equity shares and allotted to Dynamic India Fund S4 US I.*
***Adjusted for sub-division of face value of the equity shares of our Company from ₹10 to ₹ 5 pursuant to the approval of our Shareholders by way of their resolution dated August 13, 2021*

Average cost of acquisition of Equity Shares of the Promoters and the Selling Shareholders

The average cost of acquisition per equity share to our Promoters and the Selling Shareholders as at the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Category of Shareholders	Number of Equity Shares acquired held**	Average cost of acquisition per Equity Share (in ₹)
Promoters			
1.	The Banktech Group*#	6,925,192	88.23
2.	BTI Payments Singapore(2)#	2,516,960	248.57
Investor Selling Shareholders			
3.	India Advantage Fund S3 I	9,055,144	143.56
4.	India Advantage Fund S4 I(1)(2)	310	143.71
5.	Dynamic India Fund S4 US I(1)(2)	28	144.64

As per certificate issued by S D T & Co., Chartered Accountants dated September 7, 2021.
**Including 2 Equity Shares held by David Scott Glen, our individual Promoter, and including 2 Equity Shares held by Peter Blackett as nominees of The Banktech Group*
#The Banktech Group and BTI Payments Singapore are our Promoter Selling Shareholders.
***Adjusted for sub-division of face value of the equity shares of our Company from ₹10 to ₹ 5 pursuant to the approval of our Shareholders by way of their resolution dated August 13, 2021*
(1) Pursuant to conversion of 120 2019 CCPS into 169 equity shares of ₹ 10 each, i.e. 110 CCPS were converted into 155 equity shares and allotted to India Advantage Fund S4 I and 10 CCPS were converted into 14 equity shares and allotted to Dynamic India Fund S4 US I.
(2) BTI Payments Singapore, India Advantage Fund S4 I and Dynamic India Fund S4 US I hold CCPS which shall be converted into Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations. Accordingly, the average cost of acquisition per Equity Share will be re-computed prior to filing of the Red Herring Prospectus with the RoC.

Details of Pre-IPO placement

Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Except as stated herein and other than exercise of options granted under the ESOP Plan and allotment of equity Shares pursuant to conversion of CCPS, our Company does not contemplate any issuance or placement of the Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split/Consolidation of Equity Shares in the last one year

Other than the sub-division of face value of the equity shares of our Company from ₹10 to ₹ 5 pursuant to the approval of our Shareholders by way of its resolution dated August 13, 2021 pursuant to which 9,248,817 Equity Shares of ₹ 10 each were sub-divided as 18,497,634 Equity Shares of ₹ 5 each, our Company has not undertaken any split or consolidation of Equity Shares in one year preceding the date of this Draft Red Herring Prospectus.

SECTION II - RISK FACTORS

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

We have described the risks and uncertainties that we consider material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see "Business", "Industry Overview", "Key Regulations and Policies in India" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 153, 110, 172 and 270, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see "Forward-Looking Statements" on page 16.

Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report, prepared and released by CRISIL and commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant year.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the twelve months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information for Fiscal 2019, Fiscal 2020 and Fiscal 2021 is derived from our Restated Financial Statements, which are included in this Draft Red Herring Prospectus.

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to India1Payments Limited.

To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section, such as those relating to the Indian economy, interest rates and inflation and operational risks relating to the Company.

Risks Relating to our Business

1. ***We operate in an industry which is highly regulated by the Reserve Bank of India and other government agencies. Implementation of new regulations or changes to existing laws and regulations regarding our services could have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our business of setting up ATMs is subject to regulation by various statutory and regulatory authorities in India, including the RBI, income tax authorities, and other authorities responsible for enforcing compliance with privacy and data protection related laws, foreign investment laws, intellectual property laws, consumer protection laws, anti-corruption and anti-bribery laws, direct and indirect tax laws. Our business is highly dependent on the policies framed by RBI from time to time. Any restrictive change in this policy could adversely affect the industry in which we operate and our operations. For example, pursuant to a RBI circular dated August 10, 2021 to be effective from October 1, 2021, a penalty of ₹10,000 per ATM will be levied on ATM operators in the event of a cash-out situation of more than 10 hours in a month at an ATM. If we were to face such a situation at any of our ATMs, we may incur financial penalties which may have an impact on our profitability.

Regulatory changes imposed by the GoI, RBI or other regulatory authorities can also require us to make changes to our operations and operating procedures which would increase our operating expenses and adversely affect our business, results of operations and financial condition. For example, in the RBI's circular, dated March 7, 2019, the RBI provided that all guidelines, safeguards, standards and control measures applicable to banks relating to currency handling and cyber-security framework for ATMs shall also be applicable to the white label ATM operators. In the RBI circulars on "Cassette – Swaps in ATMs" dated April 12, 2018 and July 12, 2021 advised all banks to use lockable cassettes in their ATMs, which shall be used for cash replenishment instead of the counting and add cash methodology currently used, by our Company and our third party service providers. The banks have been advised to implement this measure in a phased manner covering one-third of the ATMs operated by the banks every year, such that all ATMs achieve cassette swap by March 31, 2022. The adoption of this cassette replacement methodology by our Company would change our current cash loading operating procedures and increase our operating expenses which could adversely affect our margins and profitability.

Further, RBI has mandated minimum number of free transactions for customers accessing ATMs outside their bank's own ATM network (three free "off-us" ATM transactions per month (if located in Bengaluru, Chennai, Hyderabad, Kolkata, Mumbai, and New Delhi) and five free "off-us" ATM transactions per month in other locations), which helps to drive customers to our ATMs. If RBI were to reduce the minimum free ATM transactions, our customers may be discouraged from using our ATMs and may prefer to use their respective Bank ATMs, which in turn may have an adverse impact on the volume of transactions processed by our ATMs.

Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us, to inspection, audit and enforcement actions by the relevant authority; suspension and revocation of the relevant license or approval; civil penalties including payment of damages to the aggrieved party; criminal penalties including payment of fines and imprisonment of concerned directors or employees; and mandatory conciliation and mediation with the aggrieved party or may also lead to an inability to carry forward our tax losses. These actions or any failure to prevail in a possible civil or criminal litigation, may adversely affect our business, results of operations, financial condition, cash flows and reputation. In addition, responding to any action or litigation may result in a diversion of our management's attention and resources and an increase in professional fees and compliance costs.

Our premises, books of accounts, documents and records are subject to inspection by the RBI under the relevant laws and regulations. Consequently, the relevant authority may identify instances of non-compliance and deficiencies in our operations, including procedural lapses, and issue warning letters, show cause notices or penalties for violations, or issues requiring further monitoring. For example, on August 13, 2021, the RBI imposed a fine on our Company of ₹20 million for (i) our failure to deploy 9,000 ATMs within a period of 3 years from the start of our white label ATM operations and (ii) our failure to maintain a net worth of ₹1,000 million between March 31, 2018 and August 21, 2019, in both cases as required by our certificate of authorisation to set-up, own and operate white label ATMs, dated February 12, 2014. Any future observations, directions or penalties issued by the RBI in the future may be time consuming and expensive for us to resolve or may subject us to restrictions in the manner in which we operate our business, which may have an adverse effect on our business, results of operations and financial condition. Moreover, we are exposed to the risk of varying and evolving interpretation of complex laws and regulations governing our business in India. Certain of these laws and regulations governing our business are relatively new and evolving, and their interpretation and enforcement may involve uncertainties.

See "*Key Regulations and Policies*" and "*Government and Other Approvals*" on pages 172 and 300, respectively.

2. Our success is dependent on the transaction throughput from our ATMs. Transaction throughput is dependent on a number of factors beyond our control including the prevailing economic conditions in the SURU regions. In addition, our transaction volumes are affected by regional issues like weather patterns. Further, if we fail to retain our customers, attract new customers, expand the volume of ATM transactions from customers, or if our customers acquisition costs increase, our business, results of operations and financial condition may be adversely affected. Moreover, if our customers behaviour changes (like withdrawing higher amounts per transaction or making fewer transactions), our operating expenses or revenues could be adversely affected.

Our success depends on the transaction throughput from our ATMs as we generate revenue only when our customers conduct transactions. Transaction throughput is dependent on a number of factors beyond our control including the number of free "off-us" ATM transactions permitted by banks outside their own ATM network (in accordance with RBI required minimums), the prevailing economic conditions in India, particularly the SURU regions, natural disasters and political disturbances. In addition, transaction volumes at our ATMs located in regions affected by strong weather patterns (like monsoons) typically decline as a result of decreases in the amount of consumer demand in such locations. Further, during COVID-19 lockdowns and during the second wave of infections, we experienced decreases in consumer traffic in certain locations in which we operate our ATMs and therefore transaction throughput declined in these locations. We expect these location-specific and regional fluctuations in transaction volumes to continue in the future and could, depending on their severity, adversely affect our business, results of operations and financial condition

Our customers are savings and current account holders with a valid debit card of one of the over 100 banks that are members of the NFS operated by the NPCI. Our success depends on our ability to generate repeat use and increased transaction volumes from our existing ATM customers and to attract new consumers to our ATMs.

If we are not able to continue to grow our customer base, we will not be able to continue to grow our business. Our ability to retain and grow our customers base depends on the willingness of the customers to use our ATMs. We attract and retain customers by the convenient location of our ATMs, our customer proposition and the strength of our "india1ATM" brand. If we fail to retain our relationship with existing consumers, if we do not attract new consumers to our ATMs, or if our customers acquisition costs increase, or if we do not continually expand transaction volumes from customers on our ATMs, our business, results of operations, financial condition would be materially and adversely affected.

Furthermore, changes in customer behaviour could adversely impact our business, results of operations and financial condition. For example, if customers on average entered into fewer ATM transactions per month, our transaction volumes and our revenues would be adversely affected. Further, if customers on average withdraw larger amounts per transaction, our working capital requirements and operating expenses would increase but our revenue would not increase as we receive interchange fees on a per transaction basis. In a recent NPCI advisory, dated August 14, 2021, members of the NFS were advised to keep transaction limits of ATMs at ₹10,000 per ATM transaction. We intend to align our ATM withdrawal limits in accordance with this NPCI advisory. This may result in an increase in our working capital requirements and a higher value of withdrawal per transaction from our ATMs (which in turn may reduce the number of transactions) and, accordingly, could adversely affect our results of operations.

3. Our business and financial performance are dependent on maintaining and growing our ATM network and the performance of our network. Any failure to maintain and grow our ATM network could adversely affect our business, results of operations and financial condition.

As of June 30, 2021, we had 8,520 ATMs across 14 states and union territories in India. In the three months ended June 30, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, we added 498, 1,773, 1,207 and 381 ATMs, respectively, to our network in India. One of our strategies is to increase our number of ATMs and if we fail to do so, our growth strategy and prospects may be adversely affected. The profitability of an ATM depends in part on selecting a strategic location to deploy the machine. If the location does not attract sufficient customers, the deployed ATM may not be profitable and may need to be transferred to a new location which entails incurring costs. In addition, our newly deployed ATMs may not be profitable immediately upon their initial deployment or may take time to breakeven. In the event of a delay in achieving breakeven by the newly deployed ATMs within a reasonable period as envisaged by us, our profitability may be affected. Our ATM expansion plans may increase our capital expenditures which in turn may affect our business results of operations and financial condition. There may also be increased expenditure as a result of our strategy to expand into new geographies in the SURU regions, where our "*india1ATM*" brand is not well known in the market. In addition, our business is dependent on the growth of the banking sector in India and any developments that are adverse to the banking sector's growth may also impact our ability to grow our ATM network. Further, as a consequence of the large number of ATMs in our network, we may be subject to additional risks inherent with an extensive network, including but not limited to sourcing currency notes, higher technology costs, compliance with RBI and other regulatory requirements, ensuring customer satisfaction, recruiting, training and retaining skilled personnel, failure to manage third-party service providers in relation to any outsourced maintenance services and other operational and telecommunication difficulties. Any of these reasons may result in our failure to adequately manage our large ATM network, which may materially and adversely affect our business, results of operations and financial condition.

Furthermore, the RBI has mandated that we deploy at least 1,000 new ATMs every year from the calendar year 2020 for an initial period of 3 years. If we fail to comply with this RBI mandate, we may be subject to penalties, fines or sanctions and the consideration by the RBI of the renewal of our certificate of authorisation may be adversely affected. For further information, see below "--*Our inability to renew or maintain our RBI certificate* *of authorisation or other statutory or regulatory permits and approvals required for our operations may adversely impact our business, results of operations and financial condition.*" on page 29.

4. The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, results of operations and financial condition.

In December 2019, a human infection originating in China was traced to a novel strain of coronavirus (also known as COVID-19) and has since spread to over 200 countries and territories. The outbreak of COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020, and as of the date of this Draft Red Herring Prospectus, is still ongoing and rapidly evolving. The GoI initiated a nation-wide lockdown from March 24, 2020 that lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. However, banking services including ATM operations were determined to be an essential industry, which allowed us to continue our ATM operations during the nationwide lockdown with limited workforce and other safety measures. Although the nationwide lockdown was lifted on June 1, 2020, restrictions on non-essential activities and travel were imposed until August 31, 2020 in multiple states across specific districts that were witnessing increases in COVID-19 cases. The second wave of COVID-19 infections impacted India in April, May and June 2021. The second wave resulted in significant strain on the health infrastructure in the country resulting in several states announcing lockdown measures. The second wave also resulted in a large part of the population working from home and implementing social distancing measures. In June 2021, the COVID-19 reported cases from the second wave started to decline and the GoI and state governments started gradually easing some of the strict precautionary measures.

Globally, border controls, travel restrictions and quarantine measures have been imposed by various countries in an effort to contain the spread of the COVID-19 outbreak, which have resulted in a period of business disruption as well as restrictions on business activity and the movement of people comprising a significant portion of the world's population, and a decrease in economic activity in a number of countries, including India. Moreover, there is no assurance that such measures will be effective in ending or restricting the spread of COVID-19, and many countries have experienced further COVID19 outbreaks even after such measures had been eased.

The domestic policy response includes localized micro-containment measures, state-specific movement restrictions, mobilization of health supplies and ramping up of health infrastructure. The COVID-19 pandemic has also resulted in economic challenges driven by labour shortage, logistics disruptions and reduced demand. As a result, many industries have been exposed to disruptions in carrying out business operations, resulting in loss of business and reduction in cash flows, which has created stress in different sectors of the economy. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operation, financial condition and prospects.

Our business and operations have been impacted during the COVID -19 pandemic, and may continue to be impacted in multiple ways, including as set forth below:

- The decrease in economic activity and the decrease in footfall of customers at our or around our ATMs, in particular during the lockdowns and second wave, resulted in reduced ATM transactions. During the period from March 31, 2020 to May 31, 2020, our ATM transactions decreased by approximately 12.30%. In April, May and June 2021, we experienced a decline in the number of transactions processed at our ATMs each month as a result of the disruptions due to nation-wide activity, including geographic/state-specific lockdowns, caused by the second wave of the COVID-19 pandemic. We may experience similar reductions in ATM transactions in particular areas where we operate due to the pandemic.

- Many migrant workers in the cities and metro areas who usually return money to their homes and families in rural areas returned home during the pandemic reducing cash inflows to the SURU regions where our ATM business is focused.

- Our operations and the operations of our third-party service providers were disrupted and may continue to be disrupted by social distancing, split-teams, work from home and quarantine measures as well as illness associated with the pandemic.

- Our roll out of new ATMs was halted or slowed during the lockdowns in 2020 and the second wave in 2021. However, we added 498 ATMs in the three months ended June 30, 2021, 1,773 ATMs in Fiscal 2021 as compared to 1,207 ATMs in Fiscal 2020 and 381 ATMs in Fiscal 2019.

- Our workforce and third-party service providers, including key personnel, have been unable to work effectively from time to time (especially during the lockdowns and second wave), and may in the future be unable to work effectively, because of illness, government actions, or other restrictions in connection with the pandemic.

The extent to which the COVID-19 pandemic, and the related global economic impact, affect our business, results of operations and financial condition will depend on future developments that are highly uncertain and cannot be predicted, including the spread, scope and duration of the COVID-19 pandemic and any recovery period, the effectiveness of further steps taken by the GoI and the RBI to mitigate the economic impact in response to the pandemic, the effects on our customers, counterparties, employees and third-party service providers, and the time it takes for economic activities to return to pre-pandemic levels. As of the date of this Draft Red Herring Prospectus, there is significant uncertainty relating to the severity of long-term adverse impact of the ongoing COVID-19 pandemic on the domestic and global economy, domestic and global financial markets and the Indian financial and banking industry, and we are unable to accurately predict the long-term impact of the COVID-19 pandemic on our ATM business. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this section.

5. We rely on the RBI and scheduled banks to provide us with the cash that we require to operate our ATMs. If cash from these sources were to become unavailable, we might not be able to operate our business.

In accordance with the RBI's circulars, white label ATM operators including our Company procure wholesale cash, above a threshold of 10,000 pieces (and in multiples thereof) of any denomination, directly from the RBI (Issue Offices) and currency chests across India against full payment. This has resulted in higher availability of cash in all denominations for white label ATM operators including our Company. (Source: CRISIL Report, September 2021). In the three months ended June 30, 2021, Fiscal 2021 and Fiscal 2020, 45.23%, 42.62% and 22.15%, respectively, of the cash required for our ATMs was sourced from RBI (Issue Offices) and currency chests. Our remaining cash requirements were sourced from scheduled banks. If the RBI was to reverse its policy regarding access to its currency chests or if scheduled banks refuse to supply us with cash in time or at all or terminate their arrangements with us, or if they were to fail to provide us with cash as and when we need it for our ATM operations, our ability to operate our ATMs would be jeopardized, and we would need to locate alternative sources of cash in order to operate our ATMs. These alternative sources require RBI approval which may not be granted. We can give no assurance that alternate sources would be available on reasonable terms or at all or that the RBI would approve our use of such alternate sources.

6. Substantially all of our revenues are from interchange fees earned on ATM transactions. The interchange fee is fixed by the RBI and any downward revision of interchange fees by the RBI would adversely affect our busines, results of operations and financial condition. In addition, as interchange fees are fixed, we are not able to pass any increase in operating expenses to our customers. Further, we may not be able to increase or maintain the historical growth trend of the volume of our ATM transactions thereby impacting our profitability.

Our ATMs generate revenue on a per-transaction basis from an interchange fee collected by the NPCI from our customers' banks for processing ATM transactions. This interchange fee is determined at a rate fixed by the RBI. The RBI through its notification, dated June 10, 2021, increased the interchange fees to ₹17 for financial transactions (₹15 until July 31, 2021) and ₹6 for non-financial transactions (₹5 until July 31, 2021) applicable from August 1, 2021. This was the first increase in interchange fees since we became an authorised white label ATM operator on February 12, 2014. We are unaware of any proposal by the RBI to make further changes to the interchange fees; however, any downward revision of interchange fees by the RBI would adversely affect our business, results of operations and financial condition.

In addition, as the interchange fee is fixed, we are able to increase our ATM revenues only by increasing the volume of transactions processed by our ATMs, and we are not able to pass any increase in operating or other expenses to our customers by increasing the interchange fee. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our operating expenses (including employee benefits expense and other expenses) as a percentage of total income were 55.44%, 58.16% and 62.57%, respectively. Accordingly, our business, results of operations and financial condition are dependent on the volume of transactions processed by our ATMs, and we may not be able to increase or maintain the historical growth trend of the volume of transactions processed by our ATMs thereby impacting our profitability.

7. Inter-bank transactions in India are processed by the NPCI and there is no alternative processor. If the NPCI experiences interruptions or downtime, our ATM services would be disrupted and our business, results of operations and financial condition could be materially adversely affected.

All ATM inter-bank transactions in India are processed by the NPCI. Accordingly, we are dependent on the settlement services provided by NPCI (including the NFS that it operates) and there are currently no alternative providers in India. Our ability to provide continuous service to our customers depends largely on the efficient and uninterrupted operations of the NPCI and the NFS as well as NFS member banks. The NPCI (as well as NFS member banks) could be exposed to damage or interruption from fire, natural disaster, unlawful acts, terrorist attacks, power loss, telecommunications failure, unauthorized entry, computer viruses as well as unknown or unforeseen interruptions for any reason. If the NPCI experiences interruptions or downtime, our ATM services would be disrupted and our business, results of operations and financial condition could be materially adversely affected. Further, if a NFS member bank's connectivity with the NFS is disrupted, our ability to process transactions with that member bank may also be affected.

In addition, our working capital cycle is short as the NPCI settles interchange fees four times each day from July 5, 2021(rather than twice daily as before). If the NPCI were to settle interchange fees less frequently or if the NPCI experiences interruptions or downtime, our working capital cycle could become longer which could increase our working capital requirements and related costs.

8. The currency demonetisation measures imposed by the GoI in November 2016 had a significant impact on the Indian economy and cash circulation in India and on our business, and there is uncertainty whether similar unanticipated measures could be adopted whereby the GoI or RBI could make bank notes unavailable.

If the RBI or the GoI were to make bank notes unavailable for any reason, we may not be able to operate our business. On November 8, 2016, the Ministry of Finance, GoI issued a notification S.O. 3407 (E) declaring that with effect from November 9, 2016 bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees shall cease to be legal tender. The RBI issued notification no. RBI/2016-17-112: DCM(Plg) No. 1226/10.27.00/2016-17 dated November 8, 2016 containing instructions with respect to withdrawal of legal tender character of these specified bank notes ("Demonetization"). The process of demonetisation and replacement of these high denomination notes significantly reduced the availablity of cash in the Indian economy. This was particularly the case in SURU regions of India, which are more remote and furthest away from supplies of the new bank notes and where bank branch and ATM penetration are at their lowest. (Source: CRISIL Report, September 2021). In addition, during this period, ATM machines had to be recalibrated to accept the new bank notes, which were in sizes that were different from the old bank notes, contributing to the delays in normalising cash liquidity in the country. The ATM industry, including our Company, were significantly impacted by this, as the circulation of cash decreased following demonetisation, and delays in recalibrating ATMs resulted in a large number of ATMs being temporarily incompatible with the new denominations. Although the RBI relaxed restrictions for sourcing cash, our business did not return to normal operations until December 2017 and our business, results of operations and financial condition during the 12 month period beginning November 8, 2016 were materially adversely affected.

There can be no assurance that the GoI will not institute measures similar to Demonetization in the future. For example, the GoI has proposed various measures to accelerate India's transition to a cashless economy, including a ban on cash transactions over ₹200,000, tax incentives for creation of a cashless infrastructure, promoting greater usage of non-cash modes of payments, and making Aadhaar-based payments more widespread. The adoption by the GoI or the RBI of any restriction similar to Demonetization, which results in making bank notes unavailable could materially adversely affect our business, results of operations and financial condition.

9. Our cash delivery and loading expenses represent a significant portion of our operating expenses. We rely on three cash management agencies and our franchisees to manage and deliver cash to our ATMs. Price increases by our service providers may adversely affect our margins. In addition, new operating procedures and standards may be introduced in the industry or by the RBI that could adversely impact our operating expenses. Further, if our service providers fail to provide their services timely and effectively or go out of business, our operations, reputation and transaction volumes could be adversely impacted.

Our success depends upon the proper functioning of our ATMs. We rely on three cash management agencies as well as our franchisees to deliver cash to our ATMs. As of June 30, 2021, one of the cash management agencies that we use serviced a majority of our ATMs. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, cash delivery and loading expenses were 59.43%, 59.25% and 54.21%, respectively, as a percentage of total operating expenses and 21.39%, 21.14%, 21.74%, respectively, as a percentage of revenues from operations. As there are a limited number of third-party providers performing cash management and replenishment activities in India, we may not be able to replace one of our existing providers in case of increases in prices or operational or performance issues and any price increases or delayed performance could increase our operating expenses and decrease our margins. In addition, the ATM industry may introduce, or the RBI or the Ministry of Home Affairs may require, new ATM operating procedures or standards in respect of cash delivery and loading processes. Compliance with any new operating procedures or standards imposed on the Company or on our service providers could impact our operating expenses and adversely impact our business, results of operations and financial condition. For example, the RBI circulars on "Cassette – Swaps in ATMs" dated April 12, 2018 and July 12, 2021 advised all banks to use lockable cassettes in their ATMs, which shall be used for cash replenishment instead of the counting and add cash methodology currently used, by our Company and our third party service providers. The banks have been advised to implement this measure in a phased manned covering one-third of the ATMs operated by the banks every year, such that all ATMs achieve cassette swap by March 31, 2022. The adoption of this cassette replacement methodology by white label operators ATM like our Company would change our current cash loading operating procedures and increase our operating expenses which could adversely affect our margins and profitability.

Further, if our third-party service providers and franchisees fail to service or deliver cash to our ATMs or in a timely manner or fail to respond quickly to problems, we may lose customers which will decrease our transaction volume and adversely affect our ability to generate revenue. Additionally, if our third-party service providers and franchisees fail to service or deliver cash to our ATMs, our reputation and ability to grow our business could also be impaired. In particular, as there are a limited number of third-party providers performing these cash management and replenishment activities in India, we are subject to the risk of any of our third party providers going out of business or ceasing operations. Further, if the RBI were to commence restricting or regulating our use of third parties for cash management and replenishment, our business and our operating expenses could be adversely affected. In addition, the RBI, in a circular dated August 10, 2021, provided that it will impose a penalty on ATM operators from October 1, 2021 for ATMs that become unavailable to customers for cash withdrawals for more than 10 hours per month due to the operators failure to replenish cash in that ATM. The penalty to be imposed for violations will be of ₹10,000 per ATM. If our ATMs are unavailable for cash due to non-replenishment in violation of the RBI’s circular, our business and reputation may be adversely affected.

10. Our inability to renew or maintain our RBI certificate of authorisation or other statutory or regulatory permits and approvals required for our operations may adversely impact our business, results of operations and financial condition.

We are required to obtain various statutory and regulatory permits and approvals to operate our business which requires us to comply with certain terms and conditions to continue our white label ATM operations. Our certificate of authorisation to act as a white label ATM operator was originally issued on February 12, 2014, and most recently renewed on March 23, 2021, expiring on March 31, 2022 (as part of an annual renewal cycle), and requires us to comply with certain terms and conditions as notified by the RBI from time to time. For example, the RBI has mandated in their letter dated December 18, 2019 on “White Label ATM Operations – Review of guidelines and deployment targets” that we open at least 1,000 new ATMs in a calendar year. If we fail to comply with this RBI mandate we may be subject to penalties, fines or sanctions and the consideration by the RBI of the renewal of our certificate of authorisation may be adversely affected. For example, on August 13, 2021, the RBI imposed a fine on our Company of ₹20 million for (i) our failure to deploy 9,000 ATMs within a period of 3 years from the start of our white label ATM operations and (ii) our failure to maintain a net worth of ₹1,000 million between March 31, 2018 and August 21, 2019, in both cases as required by our certificate of authorisation to set-up, own and operate white label ATMs, dated February 12, 2014. In the event that we are unable to comply with any or all of the terms and conditions for operating as a white label ATM operator as notified by the RBI, or seek waivers or extensions of time for complying with these terms and conditions, it is possible that the RBI may revoke our authorisation, not renew our authorisation or may place stringent restrictions on our operations. This may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. In the event that we are unable to renew or maintain other statutory permits and approvals or comply with regulatory requirements, it may result in the interruption of all or some of our operations, imposition of penalties and could materially and adversely affect our business, results of operations and financial condition.

Our business is subject to government regulations and we require certain other statutory and regulatory approvals, licences, registrations and permissions for operating our business. These permits, licences and approvals may also be tied to numerous conditions, some of which may be onerous to us and require substantial expenditures. We cannot assure you that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals. There is no assurance in the future that the permits, licenses, registrations and approvals applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable laws. For details, see "*Government and Other Approvals*" on page 300.

11. Changes in technology standards, currency designs or sizes of bank notes may cause us to incur substantial expense in upgrading or replacing our ATMs and could have an adverse impact on our revenue.

New technology in the ATM industry may result in the ATM machines under our management becoming obsolete. This may require us to either replace or upgrade existing equipment. Any replacement or upgrade program for machines that we own would involve substantial expense. Depending upon the scope and scale of potential changes in technology, we may not have sufficient capital to provide upgrades or replacements to a significant degree. Further if the RBI or GoI were to replace current Indian bank notes with bank notes of a different size or currency designs, we might also need to replace or upgrade our ATMs. A failure to either replace or upgrade obsolete machines could result in customers using other ATM networks that could employ newer technology, thereby reducing our revenue and adversely affecting our business results of operations or financial condition.

The RBI issued a circular dated June 21, 2018 which requires banks and white label ATM operators to initiate immediate action in implementing certain control measures, including (a) implementing security measures such as Basic Input Output System password, disabling USB ports, disabling auto-run facility, applying the latest patches of operating system and other softwares, terminal security solution, time-based administrator access, etc., (b) implementing anti-skimming and white-listing solution and (c) upgrading ATMs with supported versions of operating system. These measures are required to be implemented in a phased manner, within the prescribed timelines, and some of the measures are still being implemented by our Company. Any failure by the Company to comply with the RBI's circular of June 21, 2018 or other RBI mandated technology standards may lead to penalities and fines being levied on us and may adversely affect our business results of operations or financial condition.

12. We have tie ups and arrangements with third parties to facilitate our ATM operations. In the event of failure to adhere to contractual and legal obligations by these third parties, our business, results of operations and financial condition could be adversely affected.

We enter into outsourcing arrangements with third party vendors, maintenance providers, cash management service providers and independent contractors. These vendors, employees and contractors provide services that include, among others, maintenance, cash management, cash transportation and facility management services as well services relating to information technology and software services. To that end, our strategy is to display advertisements on our ATM screens pertaining to both financial and non-financial products and services, offer payment services over our ATMs, offer lead generation platforms (for products like loans, insurance and other products) and introduce co-branded debit cards with partner banks.

As a result of outsourcing such services and offering third party products and services, we are exposed to various risks including strategic, compliance, operational, legal and contractual risks. Any failure by a service provider to provide a specified service or a breach in security/ confidentiality or noncompliance with legal and regulatory requirements, may result in financial loss or loss of reputation. We cannot assure that there will be no disruptions in the provision of such services or that these third parties will adhere to their contractual obligation. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreement with us, our business, results of operations and financial condition will be adversely affected. In case of any dispute, we cannot assure you that the terms of such agreements will not be breached, which may result in litigation costs. Such additional cost, in addition to the cost of entering into agreements with third parties in the same industry, may materially and adversely affect our business, results of operations and financial condition.

13. We may face cyber threats attempting to exploit our network to disrupt services to customers and/ or theft of sensitive internal data or customer information, which may cause damage to our reputation and adversely affect our business, results of operations and financial condition.

Our ATM services include cash withdrawals, card to card transfers as well as changes to their PINs and requests for account balances, mini-statements and cheque books. During the three months ended June 30, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our ATMs processed 71.82 million transactions, 257.55 million transactions, 205.25 million transactions, 180.45 million transactions, respectively. In addition, as a white label ATM operator, we receive access to personal information and data on the cards that are inserted into the ATMs that we operate, and we are required to implement security measures to protect such data and information. Our ATMs are connected to our network and the networks of various service providers through secure connections. We are therefore exposed to various cyber threats to our networks and our service providers' networks including (i) denial of service attacks, where attackers seek to overload our network or our service providers' networks by overwhelming the available bandwidth or infrastructure, (ii) hacking, wherein attackers seek to hack into our network or our service providers' networks with the primary intention of causing reputational damage to us by disrupting services; (iii) data theft, wherein cyber criminals may attempt to enter our network our network or our service providers' networks with the intention of stealing data or information and (iv) other security breaches in respect of bank transfers and transactions leading to losses. Any cyber security breach could also subject us to additional regulatory scrutiny and expose us to civil litigation and related financial liability. If the security measures that we have instituted to prevent violations of our information technology systems by third parties are insufficient or fail and illegal access, such as through hacking or other illegal means, is gained to this information or it is stolen by third parties or our employees or personnel provided to us by our third party service providers and the information or data is misused, we may be exposed to liability and become subject to penalties and even litigation.

As technology is currently in a phase of rapid evolution and the methods used for cyber-attacks are changing frequently or, in some cases, are not recognized until an actual attack, we may not be able to anticipate or to implement effective preventive measures against all such security breaches. Further, circumstances such as the COVID-19 pandemic requiring a large number of our employees to work from home may increase our vulnerability to cyber-attacks. Cybersecurity risks for financial services organizations like ours have significantly increased in recent years in part because of the proliferation of new technologies, and the use of the internet and telecommunications technologies to conduct financial transactions. For example, cybersecurity risks may increase in the future as we offer internet-based product offerings and services as part of our digital strategy. In addition, cybersecurity risks have significantly increased in recent years in part due to the increased sophistication and activities of organized crime affiliates, terrorist organizations, hostile foreign governments, disgruntled employees or vendors, activists and other external parties, including those involved in corporate espionage. Even the most advanced internal control environment may be vulnerable to compromise.

We seek to protect our computer systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems caused by our increased use of the internet. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and network infrastructure. There may be areas in the system that have not been properly protected from security breaches and other attacks. We employ security systems, including sophisticated threat management systems and password encryption, designed to minimize the risk of security breaches. Although we intend to continue to implement security technology and establish operational procedures to prevent break-ins, damage and failures, there can be no assurance that these security measures will be adequate or successful. Failed security measures could have a material adverse effect on our business, results of operations and financial condition. Our business operations are based on a high volume of transactions. Although we take measures to safeguard against systems related and other fraud, there can be no assurance that we will be able to prevent fraud. Our reputation could be adversely affected by significant fraud committed by employees, customers or outsiders.

14. Our ATMs may be subject to break-ins, sabotage, armed robbery, theft and intentional acts of vandalism as well as criminal activity by third parties including tampering with our ATM machines and counterfeiting activity, thereby adversely affecting our business, results of operations and financial condition.

By virtue of the nature of our industry and handling large volumes of cash, we and our service providers are exposed to various security risks and crimes. Our ATMs also may be subject to break-ins, sabotage, armed robbery, theft and intentional acts of vandalism all of which would impact our ability to provide secure and seamless access by our customers to our ATM machines. We do not have security personnel deployed at our ATM locations to prevent such acts but monitor the safety of our ATMs through remote monitoring. Although the Company has insurance to cover against most such losses, such insurance coverage may be subject to deductibles, exclusions and limitations that may leave us bearing some or all of those losses. Further, these acts could undermine consumer confidence in our ATMs and brand, thereby reducing ATM activity and adversely affecting our business, results of operations and financial condition.

Our employees and personnel provided to us by our third-party service providers and third-party security service providers may introduce counterfeit currency into our ATMs or otherwise siphon off cash from our ATMs or currency deliveries. We undertake reconciliation processes and raise queries as part of our own risk management processes, whereby discrepancies are identified, investigated and resolved. However, our internal controls and risk management processes may not be sufficient to detect any shortfalls in cash immediately, in particular where the parties responsible for the shortfall utilises counterfeit or methods of fraud. Further, delays on timely and accurate reconciliation could affect our ability to promptly detect any shortfalls in cash, and certain cash shortfalls and introduction of counterfeit currency can only be detected by an internal audit of the ATM at a later date. In such cases, the amounts of cash being stolen can accumulate each time the ATM is replenished unless detected. In addition, the longer a shortfall goes undetected, the lower our ability to detect the shortfall, further limiting our ability to take remedial and investigative action to protect ourselves and our customers from any losses that may arise from such activity. To the extent that it is not possible for us to recover a shortfall in cash, including from the responsible person or persons, our reputation, business, results of operations, cash flows and financial condition could be adversely affected. Further, any delay in identifying any misappropriation may reduce our ability to recover the missing cash and result in our incurrence of additional expenses in connection with associated legal proceedings. In addition, to the extent we are not able to recover the shortfall, the scope of our insurance coverage may not be sufficient to cover the resulting liability, there may be a delay in the settlement of any claim to our insurance providers and, to the extent our insurance coverage does cover the liability, our cost of future insurance coverage could increase significantly, which in either case could have an adverse effect on our reputation, business, results of operations, and financial condition.

Further, there have been reports regarding the use of ATMs to defraud cardholders and their banks. Criminals have been known to attach skimming devices to ATMs in order to copy the encoded personal information on a user's debit or credit card that the criminal then uses to create counterfeit cards that can be used at ATMs or to make unauthorized purchases. Although, as of this date, we are not aware of any our ATMs being used for skimming or any other illegal purpose, we cannot guarantee that criminals will not target one or more of our ATMs for skimming operations. In addition, there are fake websites that purport to belong to our business, looking to defraud landlords and shop owners. We have been able to have these websites removed in the past. However, counterfeiting activity and fraudulent activities associated with our business could undermine consumer confidence in our ATMs, thereby reducing ATM activity, or discourage third parties from partnering with us or leasing locations to us. Any or all of these activities could adversely affect our business, results of operations and financial condition.

Our operations, our employees and the personnel provided to us by our third-party service providers and third-party security service providers are exposed to the risk of criminal attacks of various types by third parties. Criminal attacks against our business can range from attacks by armed individuals at drop-off and pick-up points, in transit, or while cash is being carried outside of bank branches or RBI offices, which can result in the death or serious bodily harm to our employees, personnel provided to us by our third-party service providers and third-party security service providers or even bystanders, to third parties gaining access or being given access to our facilities or our ATM sites and taking cash. To the extent the security measures we procure and our third party service providers procure are not sufficient to protect our business and our employees, we could be required to implement other security measures, which could increase our operating costs. In addition, to the extent criminal attacks by third parties result in liabilities that we are in whole or part responsible for, including loss of cash, injuries or fatalities that occur as a result of the criminal attacks, the scope of our insurance coverage may not be sufficient to cover the resulting liability or, to the extent our insurance coverage does cover the liability, our cost of future insurance coverage could increase significantly, which in either case could have an adverse effect on our reputation, business, results of operations and financial condition. In addition, any such attacks may reduce our customers' confidence in our services and result in negative publicity even though we may not be at fault for the attack.

15. If we, our transaction processors, our ISPs, our franchisees or our other service providers experience system failures, our ATM services could be delayed or interrupted, which could harm our business. In addition, our ATMs require a continuous supply of power and any disruption in power could cause an interruption and harm our business.

Our ability to provide continuous service to our customers depends largely on the efficient and uninterrupted operations of our ATMs, our transaction processors, our ISPs, our franchisees and our other service providers. Any significant interruptions or downtime in our ATM services could severely harm our business and reputation and result in a loss of transactions from which we derive our revenues. Any such interruption could adversely impact the confidence of our customers, franchisees and others with whom we do business. Our ATMs, our franchisees, our transaction processors, our ISPs and our other service providers, could be exposed to damage or interruption from fire, natural disaster, unlawful acts, terrorist attacks, power loss, telecommunications failure, unauthorized entry and computer viruses. We cannot be certain that any measures we and our service providers have taken to prevent system failures will be successful or that we will not experience service interruptions.

Further, our property and business interruption insurance may not be adequate to compensate us for all losses or failures that may occur.

Furthermore, our ATMs require a continuous supply of power for their operation. Although our machines are equipped with backup power supplies (including uninterruptible power supply (UPS) systems and long duration batteries), any significant power disruption due from the state or local electricity companies or a system failure onsite, could cause an interruption in the affected ATMs' operations and have an adverse impact on our business, operations and financial results.

16. The increasing adoption of payment options other than cash including credit cards, debit cards, stored-value cards and digital technologies could result in a reduced need for cash and could result in a decline the usage of our ATMs.

Our business and results of operations are significantly dependent on the use of cash as a mode of payment for transactions in India. In the last two decades consumers in India have more alternatives to make payments for purchases other than cash and cheques. Digital payments in India including internet banking, point of sale terminals, bank pre-paid cards, credit cards, mobile wallets, unstructured supplementary service data (USSD), Aadhaar enabled payment system (AEPS) offered by the NPCI using the customers' "Aadhaar" unique identification numbers and the unified payments interface (UPI) offered by the NPCI, which is an instant real-time payment system. Further, the use of credit cards, debit cards and retail stored-value/gift cards have become common place and many merchants now offer zero-charge cash back availability when making purchases. The continued growth in these alternative payment methods could result in a reduced need for cash in the marketplace and ultimately, a decline in the usage of our ATMs. In such an event, our Company may be forced to not expand our ATM network or may downsize our current ATM networks which would have an adverse effect on our business, results of operations and financial condition, and also result into non-compliance with licensing conditions for white label ATM operators.

Promoting cashless payments has been a key part of the GoI's broader efforts to, among other things, curtail the circulation of counterfeit Indian currency, and the RBI and the GoI have publicly stated that they are undertaking initiatives to encourage greater adoption of electronic and cashless payment methods, which could reduce the amount of cash in circulation and the use of cash as the preferred mode of payment in India. In addition, the RBI has set out in its "Payment and Settlement Systems in India: Vision 2019 – 2021" statement of May 15, 2019 that it is undertaking strategic initiatives to encourage greater adoption of cashless payment methods to empower every person in India with access to e-payment options through specific actions that seek to enable the payments ecosystem and infrastructure. Further, other government initiatives, such as the implementation of the Goods and Services Tax ("GST"), that drive further formalization of the Indian economy may also indirectly drive shifts from cash payments to digital/non-cash payments by small businesses that may further impact the amount of cash in circulation. Moreover, if the RBI introduces a digital currency in the future, such a digital currency could also impact the amount of cash in circulation. If these measures lead to a shift in consumer trends in India with respect to the use of cashless payment methods or there is a decline in the use of cash as a mode of payment for any other reason, there may be a decrease in demand for ATMs and ATM transactions. Any such development would have an adverse effect on our business, results of operations and financial condition.

17. We are dependent on our working capital facilities for financing the cash we use in our ATMs. In addition, the expansion of our business is capital intensive. If our working capital facilities are inadequate, or we are unable to utilize our existing working capital lines efficiently, or if we are unable to obtain future financing on favourable terms or at all, our business, results of operations, financial condition and cash flows may be adversely affected.

The working capital for our business is primarily the cash in our ATMs available for dispensing to customers and the receivables from NPCI (for cash dispensed and interchange fee). We are dependent on our working capital facilities to finance the cash we load in our ATMs and funding any NPCI receivables. Our working capital cycle is very short, due to the four times per day settlement by the NPCI of receivables for the transactions processed on our ATMs. Notwithstanding, if we are unable to avail our existing working capital facilities for any reason, at the current or better terms, we would need to refinance these facilities or find other sources of finance or capital to fund our working capital needs. For information about our working capital and working capital cycle, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations- Costs of Working Capital"* on page 270.

In addition, our business is capital intensive due to setting up of new ATMs and related assets purchases made by us each year towards expansion. We may require additional resources to fund our future growth and development of our business, including any investments in technology upgrades or investments in our new product areas like micro-ATMs and our digital platform or other new products or investments we may decide to pursue. If our financial resources are insufficient to satisfy our capital requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities.

Our ability to obtain external financing in the future is subject to a variety of uncertainties. Indian companies may be required to complete filings with the applicable regulatory authorities before the launch of any onshore or offshore debt or equity issuances. These filing and approval procedures will take time, which may result in our missing the best market windows for debt or equity issuances in the future. In addition, incurring indebtedness would subject us to increased debt service obligations and could result in operating and financial covenants that would restrict our operations. Our ability to access international capital and lending markets may be restricted at a time when we would like, or need, to do so, especially during times of increased volatility and reduced liquidity in global financial markets and stock markets, including due to policy changes and regulatory restrictions, which could limit our ability to raise funds.

There can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to us, or at all. If our working capital facilities are inadequate, or we are unable to utilize our existing working capital lines efficiently, or if we are unable to otherwise finance our working capital or to raise funds required for capital expenditure or otherwise on terms favourable to us, or at all, our business, results of operations, financial condition and cash flows may be adversely affected.

18. We rely on three ATM manufacturers for the supply of machines and spare parts. We also depend on these manufacturers for maintenance pursuant to service level agreements. In addition, we depend on two suppliers for the supply of VSAT equipment.

We purchase our ATMs from three ATM manufacturers (two international and one Indian) and rely on them for the supply of machines and spare parts. We also depend on these manufacturers for maintenance of our existing ATMs pursuant to service level agreements. In addition, we depend on two suppliers for the supply of VSAT equipment. Accordingly, any failure by our ATM and VSAT suppliers to supply ATMs and VSAT equipment to us at the prices that we budget, failure to honour warranties for the machines and equipment or disruption in the provision of their maintenance services may adversely affect our business results of operations and financial condition. In the event of any such failure or disruption by one of our suppliers, we could look to one of the other ATM manufacturers or VSAT suppliers, as the case may be, but no assurance can be given that the prices and services offered would be competitive or that their ATMs, equipment and services would be available on a timely basis or at all.

19. Any RBI or other regulatory investigations, fines, sanctions, relating to our operations could negatively affect our business, results of operations and financial condition.

White label ATM operators like us are authorized by the RBI under the Payment & Settlement Systems Act, 2007. The RBI may conduct inspections and investigations of our operations and levy fines and sanctions against us in case of non-compliances. We may be subject to periodic inspections by the RBI. These inspections may result in investigations against us or some of our employees for noncompliance with RBI rules, regulations and guidelines. If one or more of such inspections, investigations or cases leads to a significant award or penalty against us, our business, results of operations and financial condition may be adversely affected. For example, on August 13, 2021, the RBI imposed a fine on our Company of ₹20 million for (i) our failure to deploy 9,000 ATMs within a period of 3 years from the start of our white label ATM operations and (ii) our failure to maintain a net worth of ₹1,000 million between March 31, 2018 and August 21, 2019, in both cases as required by our certificate of authorisation to set-up, own and operate white label ATMs, dated February 12, 2014.

We cannot predict the initiation or outcome of any further investigations by RBI or other authorities. The penalties imposed by such regulators, or any future scrutiny, investigation, inspection or audit which could result in fines, public reprimands, reputational loss, significant time and attention from our management, costs for investigations and remediation of affected customers, may materially and adversely affect our business, results of operations and financial condition.

Additionally, our Company and certain shareholders are subject to disclosure/ filing requirements under the Companies Act, 2013, will also be subject to additional disclosure/ filing requirements under the SEBI Listing Regulations, and the rules made thereunder, which may have been delayed. Such delay in making the requisite disclosures/ filings could attract monetary penalties or other regulatory action under the Companies Act, 2013 or the SEBI Listing Regulations, as applicable

20. *Increases in interest rates could increase our operating costs by increasing our interest expense under our credit facilities and our cash management expenses for our ATMs which could adversely affect our business, results of operations, financial condition and cash flows.*

While our working capital cycle is very short, changes in interest rates on our working capital loans can have a material effect on our profitability. The interest we pay on our working capital facilities is recorded as finance costs in our Restated Financial Statements. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our interest expense for long term and short term borrowings (excluding interest on lease obligation) was ₹410.70 million, ₹362.75 million and ₹407.55 million, respectively, which represented 12.64%, 13.20% and 15.42% of our total expenses, respectively, and 12.93%, 14.17% and 17.78% of our revenue from operations, respectively. Our business would be adversely impacted by a rise in generally prevailing interest rates. Market interest rate increases affect the interest rates we pay on our working capital and other credit facilities and increase our cash management expenses for maintaining cash in our ATMs. Our revenues, however, are based on the volume of transactions processed through our ATMs and the interchange fees is fixed by the RBI.

Our variable rate and fixed rate borrowings are shown in the table below for the periods indicated:

(₹ in million)

	As of March 31,		
	2021	**2020**	**2019**
Variable rate borrowings*	1,947.91	1,509.05	3,332.84
Fixed rate borrowings*	7,191.81	3,213.37	1,565.43

** Excluding adjustment for processing fee*

The following table shows the sensitivity analysis of a 0.5% change in interest rates on our interest expense for variable rate borrowings for the periods indicated:

(₹ in million)

	Fiscal		
	2021	**2020**	**2019**
Increase by 50 basis points	(9.74)	(7.55)	(16.66)
Decrease by 50 basis points	9.74	7.55	16.66

Based on our sensitivity analysis, for Fiscal 2021, for every interest rate increase of 50 basis points, we would incur an additional ₹9.74 million of interest expense for financing the working capital requirement for managing the cash inventory and receivables for ATMs. Accordingly, any significant increase in interest rates in the future could materially and adversely affect our business, results of operations, financial condition and cash flows

21. *If one of our ATMs is not available for customer cash withdrawals due to our failure to replenish cash, we may be subject to RBI penalties and our business and reputation may be adversely affected.*

In a circular dated August 10, 2021, which comes into effect on October 1, 2021, the RBI has provided that it will impose a penalty on banks and ATM operators for every ATM that becomes unavailable to customers for cash withdrawals for more than 10 hours per month due to the operator's failure to replenish cash in that ATM. The penalty to be imposed for violations will be ₹10,000 per ATM. Operators shall also be required to undertake monthly reporting to the RBI regarding ATM downtimes. Ensuring compliance with this circular may increase our operating expenses and any uncertainty in the implementation of this RBI circular could require management time and further expenses and may subject us to increased RBI scrutiny. If our ATMs experience cash-outs, in violation of this RBI circular, we may be subject to RBI penalties and our reputation, business and results of operations may be adversely affected.

22. *We rely on franchisees as part of our strategy to grow our ATM. Any failure to attract and retain franchisees could adversely affect our business, results of operations and financial condition.*

As of June 30, 2021, we had arrangements with over 900 franchisees, primarily local entrepreneurs in the SURU regions, assisting the operations of over 2,000 ATMs. As of June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, our top ten franchisees accounted for or managed 2.1%, 2.1%, 1.7% and 1.2% of our ATMs, respectively. Our operational model aims to maximize customer availability of our ATMs and to yield a better local customer experience. An important part of our model has been to use our franchises to manage part of the operations of some of our ATMs.We leverage the local knowledge and experience of our franchisees to guide our site selection for providing our ATM services so as to better serve the particular local needs of our customers. Through our franchisees, we are able to deploy our ATMs in towns and villages where cash management infrastructure is limited and where we may enjoy less competition. In addition, we utilize our franchisees close proximity to local ATMs to provide for more efficient cash replenishment, frontline maintenance and local marketing and encourage our franchisee's support in resolution of local environment issues that ensure smooth functioning of the location. Accordingly, our performance depends upon our ability to attract and retain franchisees, as well as our franchisee to grow the ATM customer base, increase transaction volumes, execute our business model and capitalize on our brand recognition and marketing. We cannot assure you that we will be able retain our existing franchisees or induct new franchisees who have the business abilities or financial resources necessary to develop and operate the ATM businesses, or who will conduct operations in a manner consistent with our standards and requirements. Any inability to retain existing or induct new franchisees, or for franchised ATMs to perform as expected, could impact our ability to successfully grow our ATM business and could have a material adverse effect on our business, results of operations or financial condition.

23. Our white label ATM operations have benefited from the RBIs and the GoI's policy support for our industry. If the RBI or GoI were to withdraw this support or change or repeal laws benefiting our white label ATM operations, our business, results of operations and financial condition could be adversely affected.

Our business, as a white label ATM operator, has benefited from sustained support from our primary regulator, the RBI. Most recently, through its notification, dated June 10, 2021, the RBI increased the interchange fees to ₹17 for financial transactions (₹15 until July 31, 2021) and ₹6 for non-financial transactions (₹5 until July 31, 2021) applicable from August 1, 2021. According to CRISIL Research, this increase will improve the profitability of white label ATM operators like our Company. (Source: CRISIL Report, September 2021). In accordance with the RBI's circular, dated March 7, 2019, we have been able to source cash directly from RBI (Issue Offices) and currency chests across the country. This has resulted in higher availability of cash in all denominations and reduction in operational costs for white label ATM operators including the Company. (Source: CRISIL Report, September 2021). The RBI has also expanded the services that white label ATM operators are allowed to offer. Under recent changes to current regulations, white label ATM operators are allowed to offer co-branded debit cards with banks, display advertisements on their machines pertaining to non-financial products and services and provide lead generation platforms (for products like insurance, mutual funds and other products). In addition, the RBI now permits white label ATM operators to offer bill payment service and cash deposit services on ATM. Further, the RBI now allows for white label ATM operators to receive perpetual licenses (rather than the annual renewal of licenses required previously). In addition, the Company benefits from the exemption afforded by the the Central Board of Direct Taxes from the Tax Deducted at Source (TDS) rules so that no tax need be deducted from cash withdrawals. Withholding tax is applicable on cash withdrawn from Bank beyond a certain threshold yearly. As we withdraw cash in bulk and use only for ATM replenishment, WLAOs (and their franchisee partners) are exempted from such withholding tax. If the RBI or GoI were to withdraw its support for white label ATM operators generally or were to change or repeal laws, rules and regulations benefiting our white label ATM operations, our business, results of operations and financial condition could be materially and adversely affected.

24. Our investments in new products and services like our micro-ATMs and our digital platform may not be successful and may be less profitable or may be loss-making.

In accordance with our strategy, we are investing in developing new micro-ATM services to add to our network and a digital platform to leverage our customer base. Development of new products and services like these are subject to a number of risks including, but not limited to, our failure to develop products and services that meet market demands and market requirements, our failure to meet competition and our failure to comply with applicable regulation. In addition, our new products and services may require significant capital expenditure for development and roll out and may take substantial management time. Accordingly, our new micro-ATM products, our new digital platform and other new products and services may not be successful for these and other reasons. In particular, in the context of focusing on new financial services opportunities, the market is evolving and we may be unsuccessful in establishing ourselves as a significant competitor. Further, our investments in new products and services, may be less profitable than what we have experienced historically or estimated, may be loss-making, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

25. Our Company may not be successful in implementing its growth strategies or penetrating new markets.

For details on our material strategies, see "*Business – Our Strategies*" on page 169. These strategies may ultimately fail to contribute to our growth or profitability, and may ultimately be unsuccessful. Even if such strategies are partially successful, we cannot assure you that we will be able to manage our growth effectively or fully deliver on our growth objectives in a profitable manner.

Challenges that may result from our growth strategies include our ability to, among other things:

- continue expansion of our ATM deployment in SURU regions;
- launch new products including micro-ATMs and our digital platform;
- improve our local operational capabilities and our employees as our business expands;
- drive our profitability through customer engagement and by operating cost management;
- maintain or grow our existing customer base;
- assess the value, strengths and weaknesses of future capital investments;
- finance our business growth;
- maintain information technology systems adequate to manage our ATM business as it expands;
- hire and train additional skilled personnel; and
- manage a growing number of ATMs without over-committing management or losing key personnel, each of which would have a potential adverse effect on our business and results of operations.

We may not be able to effectively manage this growth or achieve the desired profitability in the expected timeframe, if at all, or the expected improvement in indicators of financial performance from the expansion. For example, we intend to continue to add new ATMs over coming years, which will increase the size of our business and the scope and complexity of our operations and will involve significant capital expenditure. In addition, we may also fail to develop or retain the technical expertise required to develop and grow our micro-ATM and digital platform capabilities. To the extent that we fail to meet required targets, develop and launch new products or services successfully, we may lose any or all of the investments that we have made in promoting them, and our reputation with our customers could be harmed. Moreover, if our competitors are better able to anticipate the needs of individuals in our SURU target market, we could lose market share and our business, results of operations and financial condition could be adversely affected.

Expansion into new geographic regions subjects us to various challenges, including those relating to our lack of familiarity with the culture and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. In addition, the risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including compliance with a wide range of laws, regulations and practices; exposure to expropriation or other government actions; and political, economic and social instability.

26. A substantial portion of our ATMs are located in the states of Tamil Nadu, Uttar Pradesh and Bihar, making us dependent on the general economic conditions and activities in these states.

As of June 30, 2021, Fiscal 2021, Fiscal 2020, Fiscal 2019, 54.50%, 54.89%, 55.91% and 56.06% of our total ATMs, respectively, were located in Tamil Nadu, Uttar Pradesh and Bihar, cumulatively. Any disruption, disturbance or breakdown in the economies of Tamil Nadu, Uttar Pradesh or Bihar could adversely affect our business and results of operations. Further, our ATMs in Tamil Nadu, Uttar Pradesh and Bihar cumulatively contributed 58.18%, 56.92% and 57.54% of our WLA segment revenues, respectively, for Fiscal 2021, Fiscal 2020 and Fiscal 2019. For details, please see "*Restated Financial Statements - Note 34*" on page 246. Our concentration of business in Tamil Nadu, Uttar Pradesh and Bihar exposes us to any adverse geological, ecological, economic, social, political circumstances and/or natural disasters, epidemics or pandemics, such as COVID-19 in that region as compared to other ATM operators that have a more diversified national or international presence. If there is a sustained downturn in the economy in Tamil Nadu, Uttar Pradesh or Bihar, our business, results of operations and financial condition may be materially and adversely affected.

27. We have adopted the India1 Stock Option Plan 2021 (the "ESOP Plan") and an employee incentive scheme ("Employee Incentive Scheme – Mission 10 K"). The grant of options under the ESOP Plan and payments under the Employee Incentive Scheme – Mision 10K may result in a charge to our profit and loss account, increase our employee expenses in Fiscal 2022 and may adversely impact our profitability and cash flows.

We have adopted the India1 Stock Option Plan 2021 (the "ESOP Plan") and an employee incentive scheme ("Employee Incentive Scheme – Mission 10K"). As per the requirements of Ind AS 102, our Company follows the fair value of option granted under ESOP 2021 on the date of the grant for the accounting of employee compensation cost and recognizes the charge over the vesting period with corresponding credit to Equity (i.e. ESOP reserve) on a straight line basis, factoring the possible impact of attrition. For the employee Incentive Scheme – Mission 10K, the total cost of the incentive as defined in the incentive scheme has been apportioned over the defined period, subject to management's estimate of achieving the target within the defined period.

We established the ESOP Plan pursuant to the shareholders' resolution dated August 26, 2021, 2021 which provides for a pool of 4,390,000 options,wherein we have granted 4,355,946 options exercisable into 4,355,946 Equity Shares. For further details, see "*Capital Structure – Employee Stock Option Scheme*" on page 89. We may continue to issue employee stock options in the future, where we may grant options to our employees at discount to the market price of the Equity Shares, which may have an adverse impact on our results of operations and financial condition. The holders of our Equity Shares may also experience dilution of their shareholding to the extent that we issue any Equity Shares pursuant to exercise of any options granted under our employee stock option schemes.

Pursuant to the Employee Incentive Scheme – Mission 10 K, our Company shall disburse amounts (net of applicable withholding tax) to certain eligible employees identified as per a formula based on their seniority in our Company and the number of years served with us, linked to the milestone of our Company achieving ATM targets and revenue targets. The total cash outlay for payments to be made under this scheme is expected to be ₹159.93 million. The first tranche of ₹79.97 million, under the Employee Incentive Scheme – Mission 10 K was paid on September 2, 2021 and the second tranche of ₹79.97 million shall become due in December 2021 if the ATM and revenue targets as set out in the scheme are achieved. These payments may increase our employee benefit expenses in Fiscal 2022 and, accordingly, may impact our profitability. For further details, see "*Our Management - Bonus or profit sharing plan for the Key Managerial Personnel and senior management personnel" on page 200.*

28. There are pending litigations against our Company, Promoters and certain of our Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations and financial condition.

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

A summary of outstanding litigation proceedings involving our Company, Promoters and Directors, as disclosed in "*Outstanding Litigation and Material Developments*" on page 295 in terms of the SEBI ICDR Regulations as of the date of this Draft Red Herring Prospectus is provided below.

Type of Proceedings	**Number of cases**	**Amount*** *(in ₹ million)*
Cases against our Company		
Criminal proceedings	1	-
Action by regulatory/statutory authorities	-	-
Material civil litigation	-	-
Total	**1**	**-**
Cases by our Company		
Criminal proceedings	5	0.1
Action by regulatory/statutory authorities	-	-
Material civil litigation	-	-
Total	**5**	**0.1**
Tax Proceedings involving our Company		
Tax proceedings involving our Company	2	12.38
Total	**2**	**12.38**
Cases involving our Directors (*other than our individual Promoter*)		

Type of Proceedings	Number of cases	Amount* (in ₹ million)
Criminal proceedings	5	-
Action by regulatory/statutory authorities	1	-
Tax proceedings	-	-
Material civil litigation	-	-
Total	**6**	**-**
Cases involving our Promoters		
Criminal proceedings	5	-
Action by regulatory/statutory authorities	-	-
Tax proceedings	-	-
Material civil litigation	-	-
Disciplinary action including penalty imposed by SEBI or stock exchanges	-	-
Total	**5**	**-**

* *To the extent quantifiable*

For further information, see "*Outstanding Litigation and Material Developments*" on page 295.

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

29. Our Directors and key management personnel may have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company.

Our Directors and key management personnel and senior management personnel may be interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses. Our Non-Executive Directors, David Scott Glen and Peter Blackett hold 2 Equity shares each as nominees of Banktech Group. Further, one of our Directors, our Key Managerial Personnel and our Senior Management Personnel are interested to the extent of payments to be made under the Employee Incentive Scheme – Mission 10 K and to the extent of the employee stock options that have been granted or may be granted to them under the ESOP Plan and other employee stock option schemes formulated by our Company from time to time. For further details, see "*Capital Structure*", "*Our Management – Interest of the Directors*" and "*Our Management – Bonus or profit sharing plan for the Key Managerial Personnel and Senior Management Personnel*" on pages 78, 190 and 200.

30. We are continuing to expand our ATM business in the SURU regions of India and may face difficulties and incur additional expenses in operating in areas where infrastructure may be limited.

We provide our services to our customers in a number of difficult to reach and remote villages and towns in the SURU regions. As our strategy is to expand our network or increase the amount of services we provide in these areas, we may incur additional costs and encounter additional obstacles in operating in those markets and our ATMs may experience lower customer availability due to the limited or unreliable infrastructure, particularly with respect to procuring adequate information technology systems, security measure, access to adequate road transportation and the availability of adequate utilities, such as electricity. There can be no assurance that our ATMs in such regions is or will remain profitable, or will be profitable or advantageous to our operations, or that there will be constant or increasing demand for our services in such regions, or that any opportunities we currently perceive in such in such regions will develop or be realised by us. The costs of providing services in remote regions, which can be high, may exceed the potential revenues that may be earned from offering services in those regions. Further, our compliance with regulation and operating procedures imposed on us by the RBI may be more challenging and costly in remote areas. To the extent we are required to incur more costs and expenses than originally envisioned or are unable to expand our network or increase the amount of services we provide in these areas in the manner we desire, our margins decrease, or there are unanticipated difficulties in hiring appropriately trained or suitable personnel in the region or servicing customer requirements in the region, our business, results of operations, and financial condition could be adversely affected.

31. We deploy remote monitoring at our ATM sites. Without a physical presence, there may be a higher risk of claims due to site damage and injuries to customers and engineers from malfunctions or electrical issues, which would have a material adverse effect on our business, results of operations and financial condition.

Our sites are not supervised physically for security or safety by our personnel. Instead, we are currently deploying remote monitoring to provide security at our ATMs. Without a physical presence, there may be a higher risk of claims due to site damage and injuries to customers and engineers from malfunctions or electrical issues. Such claims could have an adverse effect on our reputation, business, results of operations and financial condition.

Further, in the future, regulatory authorities could mandate replacing remote monitoring with physical security guards or personnel stationed at our ATMs. This would result in a substantial increase in operating expenses and would have a material adverse effect on our business, results of operations and financial condition.

32. Our ATMs and our registered and corporate office are located on premises that have been taken on lease. The termination of any of these leases or non – renewal or premature termination of the existing lease agreements may cause disruption in our operations. In addition, increases in rental amounts for leased premises may increase our operating expenses. Further, as of June 30, 2021, out of 8,520 ATMs operated by us, 1,143 ATMs are on operating leases and if we are unable to renew these leases on favourable terms, we may need to incur additional capital expenditure.

As June 30, 2021, all of our 8,520 ATMs were located at premises taken on a lease basis. Such lease agreements are generally for a fixed tenure of 5 years and we endeavour to renew the leases post their expiry. Further, our registered and corporate office is also located at leased premises with a tenure of 10 years commencing from 15 October 15, 2015. Our business, financial condition, and operating results could be adversely affected if we are unable to negotiate favourable lease and renewal terms for our ATMs. In case of non-renewal of leases, we will be forced to procure alternative space for our ATMs. Although we procure space that satisfies the operational, security and financial criteria for our ATMs, we cannot assure you that we will be able to identify such space at commercially reasonable terms or at all. Failure to identify such space could adversely affect our business, results of operations and financial condition. In addition, the rental amount paid for leased premises may increase with market rates, in accordance with escalation clauses in the lease agreements or otherwise and any such increase in rent payments would increase our operating expenses and reduce our margins.

Further, as of June 30, 2021, out of 8,520 ATMs operated by us, 7,377 ATMs are owned by our Company and 1,143 ATMs, UPS, batteries and CCTVs have been acquired on operating leases. The operating lease period for our 1,143 leased ATMs is 5 years. If we are unable to renew these operating leases on favourable terms or at all, we may need to incur additional capital expenditure to replace our leased ATMs, which could adversely affect our business, results of operations and financial condition.

33. Our insurance coverage may be inadequate to cover claims. If we incur substantial uninsured loss or loss that exceeds our insurance coverage, it could have a material adverse effect on our business, results of operations and financial condition.

We do not carry insurance to cover all of the risks associated with our business, either because insurance coverage is not available or prohibitively expensive. We have taken out insurance to cover certain risks associated with our business. This includes insurance coverage over our assets such as our ATM machines and related assets, POS terminals, office assets, cash in our ATMs, and transit insurance for cash movement done by our franchises.

The following table set forth our insurance coverage for tangible assets as of March 31, 2021.

Particulars	Amount (in ₹ million) as of March 31, 2021	Percentage of total Tangible Assets as of March 31, 2021 (%)	Percentage of insurance coverage (%)
Insured Tangible Assets	2,235.48	93.13%	171.32%
Uninsured Tangible Assets	164.90	6.87%	-
Total Tangible Assets*	**2,400.38**	**100.00%**	**-**

**Note: Term tangible assets is for property, plant & equipment*

In addition, the Company has insurance coverage for cash in our ATMs of ₹ 5.2 million per ATM and for cash in transit of ₹125,000 million.

We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. In addition, even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a substantial uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

34. We have a history of net losses and we may not be able to achieve and maintain profitability.

We have been witnessed losses in previous financial years. Our losses have been primarily associated with the costs associated with the ramp up of our ATM business but our earnings have been adversely impacted by other factors including the impact of Demonetization in Fiscal 2017. In Fiscal 2019 and Fiscal 2020, we incurred losses after tax of (₹241.84 million) and (₹58.66 million). In Fiscal 2021, we witnessed a profit after tax of ₹33.38 million. Our operating expenses may increase as we hire additional personnel, expand our ATM operations and infrastructure, and expand our products and services. In addition, when we become a listed company, we will incur additional significant legal, accounting, and other expenses that we did not incur as an unlisted company. Any failure to increase our revenue sufficiently to keep pace with our ATM growth and other initiatives, our increased operating expenses and capital expenditure could prevent us from achieving or maintaining profitability or positive cash flow on a consistent basis in future periods. Any failure by us to achieve or sustain profitability on a consistent basis could cause the value of our Equity Shares to decline. In addition, net losses may result in the erosion of our net worth. Further, we are required to maintain a net worth of ₹ 1,000 million as a condition to our certificate of authorisation issued by RBI. Any erosion of net worth resulting in our net worth falling below the RBI prescribed amount may be viewed as a breach of the conditions of our certificate of authorisation and subject us to fines and penalties.

35. We have experienced negative netcash flows in one of the last three fiscal years.

We have experienced negative net cash flows in Fiscal 2019. Our cash flows for Fiscal 2021, Fiscal 2020 and Fiscal 2019 are set forth in the table below.

The following table sets forth our cash flows for the periods indicated:

(₹ in million)

	Fiscal		
	2021	**2020**	**2019**
Net cash generated from Operating Activities	1,258.09	2,369.92	285.82
Net cash (used in) Investing Activities	(1,405.01)	(699.73)	(345.58)
Net cash generated from/ (used in) Financing Activities	3,485.64	1,901.47	42.99
Net increase / (decrease) in Cash and Cash Equivalents	3,338.72	3,571.66	(16.77)

Any negative net cash flows in the future could adversely affect our results of operations and financial condition. For further details, see "*Management's Discussion and Analysis of our Financial Condition and Results of Operations – Cash Flows*" on page 290.

36. Any downgrade of our debt ratings could adversely affect our business.

As of the date of this Draft Red Herring Prospectus, we have received the following credit ratings on our debt and credit facilities.

Instrument or Rating Type	**Amount (₹ in million)**	**Date**	**Ratings**
Issuer Rating	N/A	June 25, 2021	CARE A- (Outlook Stable)
Fund based working capital facilities	13,800.00	June 22, 2021	IND A1 (Affirmed)
Term Loan	750.00	June 22, 2021	IND A-/Stable (Upgraded)
Short term Fund based limits	5,750.00	July 19, 2021	ICRA A1 (Reaffirmed)
Term Loans	750.00	July 19, 2021	ICRA A- (Stable)
Long term Issuer	N/A	June 22, 2021	IND A- (Stable)

These ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. There can be no assurance that these ratings will not be revised or changed by the above rating agencies due to various factors, including on account of the COVID-19 pandemic. While there has been no downgrade of the credit ratings assigned to our Company in the past, any downgrade in our credit ratings in the future may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis, which may adversely affect our business, results of operations and financial condition.

37. The ATM market in India is competitive and our strategy and success depends on our ability to compete effectively.

The ATM market in India is competitive, and our competitors are divided into two categories: (i) bank owned ATMs and (ii) white label ATM operators, like our Company, who operate their own independent ATM businesses. Some of our competitors have substantially greater financial resources, customers, employees and technical expertise than our Company. We compete with other ATM companies and banks on the basis of brand recognition, quality of our services including the uptime of ATMs, convenience of the ATM machines, and reach of the ATM distribution network, as well as information technology capabilities.

An increase in the ATM operations of existing competitors or the entry of additional ATM operators offering a similar or a wider range of products and services could increase competition. In addition, competitors setting up ATMs in close proximity to our ATMs may adversely affect our business. Further, any moderation of growth in the ATM sector could lead to greater competition for business opportunities. The RBI has recently encouraged new white label ATM operators in the ATM sector by allowing banks to co-brand ATM cards and display advertisements and to streamline the authorisation process for new operators. These and other similar initiatives may result in greater competitive pressure for existing operators.

ATMs, in general, also compete with fast growing use of digital payments in India including internet banking, point of sale terminals, bank pre-paid cards, mobile wallets, unstructured supplementary service data (USSD), Aadhaar enabled payment system (AEPS) offered by the NPCI using the customers' "Aadhaar" unique identification numbers and the unified payments interface (UPI) offered by the NPCI, which is an instant real-time payment system.

Any changes in the ATM market, entry of new white label ATM operators, greater competition between existing players and improvement in the efficiency and competitiveness of existing operators and banks, may have an adverse impact on our business. Due to competitive pressures, we may be unable to successfully execute our growth strategy or offer our ATM services at reasonable returns and this may adversely impact its business, results operations and financial condition.

38. Our business depends on our "india1ATM" brand, and any negative publicity or failure to maintain, protect and enhance our brand could adversely impact our business, results of operations and financial condition.

We believe our "*india1ATM*" brand commands brand recognition due to its presence in the ATM markets in which we operate and therefore maintaining and enhancing the brand is important for retaining our competitive advantage. Reputational risk, or the risk to our business from negative publicity, is inherent in a customer driven business like ours. Creating and maintaining public awareness of our name is crucial to our business and we accordingly invest in various marketing, advertising and promotional campaigns. If these campaigns are poorly executed, or our customers lose confidence in us for any reason, it could harm our ability to attract and retain customers. There can be no assurances that we will be able to sustain effective marketing, advertising and branding initiatives in the future.

Negative publicity can result from our actual or alleged conduct in a number of activities, including poor customer service, poor uptimes of our ATMs, regulatory compliance, and actions taken by government regulators and community organizations in response to that conduct. We may receive negative reviews from consumers and become subject to legal notice and/or action, which may adversely affect our reputation and the confidence in and use of our ATMs and services. If we do not successfully maintain our customers trust in our Company and our brand, our business, results of operations and financial condition would be materially and adversely affected.

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

We have entered into agreements in relation to financing arrangements with certain banks and financial institutions for working capital facilities, term loans and bank guarantees. As of March 31, 2021, we had total outstanding borrowings of ₹9,146.95 million comprising of non-current borrowings (excluding current maturities of long-term borrowings) of ₹598.12 million, current maturities of long term borrowings of ₹103.99 million and current borrowings of ₹8,444.84 million. The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including, among others, effecting a merger, amalgamation or scheme of arrangement, change in capital structure of our Company subject to the threshold prescribed for the shareholding of certain shareholders of our Company and entering into forward contracts, swaps, options, or other liability management contracts in respect of short term facilities.

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

Under these financing agreements, consents from the respective lenders are required for and in connection with the Offer. As on the date of this Draft Red Herring Prospectus, our Company has received all required consents from the relevant lenders in relation to the Offer, except that (i) consents from State Bank of India and Bank of Baroda in connection with the Offer have not been received by our Company, as on the date of this Draft Red Herring Prospectus, and (ii) while our Company has received consent from Kotak Mahindra Bank Limited in connection with the Offer, such consent is subject to receipt of similar no-objection from all other creditors and lenders. Although our Company expects to receive the consents from these lenders in connection with the Offer prior to filing the Red Herring Prospectus with SEBI, there is no assurance that such lenders will provide the requisite consents in a timely manner, or at all.

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

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

By virtue of the nature of our industry and being in the business of handling large volumes of cash and large volumes of transactions, we are exposed to various security risks and crimes that may originate from within our Company, such as cash handling and cash in-transit losses, reporting errors (both deliberate and inadvertent) and theft, embezzlement, fraud and other forms of malpractice by our employees and personnel provided to us by our third-party service providers and third-party security service providers. Our business depends on our employees and service providers to process a large number of ATM transactions, including transactions that involve significant rupee amounts that may involve the use and disclosure of personal and business information. We could be adversely affected if transactions were redirected, misappropriated, or otherwise improperly executed, personal and business information was disclosed to unintended recipients, or an operational breakdown or failure in the processing of other transactions occurred, whether as a result of human error, a purposeful sabotage or a fraudulent manipulation of our ATMs, POS terminals, operations or systems. In addition, the manner in which we store and use certain personal information and interact with consumers through our platforms is governed by various laws. If any of our employees or service providers take, convert, or misuse funds, documents, or data, or fail to follow protocol when interacting with consumers, we could be liable for damages and subject to regulatory actions and penalties. We could also be subject to civil or criminal liability. It is not always possible to identify and deter misconduct or errors by employees or service providers, and the precautions we take to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses. Our resources, technologies and fraud prevention tools may be insufficient to accurately detect and prevent fraud. Any of these occurrences could diminish our ability to operate our business, increase our potential liabilities to consumers and merchants, and may lead to an inability to attract future consumers and merchants, cause reputational damage, attract regulatory intervention, and cause financial harm, any or all of which could negatively impact our business, results of operations and financial condition.

41. We may face labour disruptions that could adversely affect our business, results of operations and financial condition.

We are exposed to the risk of strikes and labour disruptions. At present, none of our employees are members of labour unions. While we believe that we have a good working relationship with our employees, there can be no assurance that we will continue to have such a relationship in the future. If our employees call for a work stoppage or other similar action, we may be forced to suspend all or part of our operations until the dispute is resolved. If any such work stoppage or disruption was to occur, possibly for a significant period of time, our business, results of operations and financial condition would be adversely affected.

42. Our business operations are heavily reliant on our information technology systems. Any failure of or disruptions in our systems could have an adverse impact on our business, results of operations and financial condition.

Our business is largely dependent on the information technology systems of our Company and our partners. We control, connect and service our ATM network, in part, through our information technology systems. We also rely on our technology platform to undertake financial controls and management of our business.

Our hardware and software systems are also subject to damage or defaults by human error, natural disasters, power loss, sabotage, cyber-attacks, computer viruses and similar events or the loss of support services from third parties such as internet service providers. Our information technology systems may be subject to interruptions, temporary disruptions, and may not meet our requirements or be suitable for use at all times. While we have developed systems and controls in accordance with our business continuity policy including a geographically remote disaster recovery site to support critical applications, there can be no assurance that such a disaster recovery site will operate as intended or in a timely manner. In the past, we have faced instances of business disruption due to technological failure as well as due to non-technological failure which impacted our ATM services. There can be no assurance that we will not encounter such disruptions in the future. Any inability to maintain the reliability and efficiency of our systems could adversely affect our reputation, and our ability to attract and retain customers. In the event we experience system interruptions, errors or downtime, and are unable to develop the required technology or in the event we experience any other lapses in our systems, our business, results of operations and financial condition may be materially and adversely affected.

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

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

New laws and regulations may be enacted from time to time to require additional licenses and approvals other than those we currently have.

In order to comply with evolving laws and regulations, we may need to devote significant resources and efforts, including restructuring affected businesses, changing our business practices and adjusting our activities, which may materially and adversely affect our business, results of operations, financial condition, growth prospects and reputation. We cannot assure you that the relevant regulatory authorities will not introduce further new laws and regulations in the future which may require us to restructure our business, obtain new licenses, comply with additional requirements and incur additional ongoing compliance costs which may adversely affect our future development, business, results of operations and financial condition.

For details see, "*Key Regulations and Policies in India*" on page 172.

44. Our success depends largely on our management team and skilled personnel. Any inability to attract and retain talented professionals may negatively affect us.

We have built a team of professionals with relevant experience, including management, finance, operations and marketing. Our growth and continued success depends in part on the continued service of key members of our management team and our ability to continue to attract, train, motivate and retain highly qualified professionals. We consider our management and our employees to be a significant source of our competitive advantage and are thus a key element of our growth strategy. As on June 30, 2021, we had 205 employees. With the increase in competition for qualified personnel, we continue to face challenges in recruiting a sufficient number of suitably skilled personnel, particularly as we continue to grow. In the event we are not able to attract talented employees, or are unable to motivate and retain our existing employees, the future of our business, results of operations and financial condition may be adversely affected.

We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining skilled employees that our business requires. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our attrition rate was 11.71%, 16.11 % and 20.11%, or 26, 34 and 38 employees, respectively. The loss of the services of skilled persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

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

45. Conflicts of interest may arise out of common business objects shared by our Company and our corporate Promoters, which may affect our business, results of operations and financial condition.

Our corporate Promoters are not prohibited from engaging in a business in India and other countries that competes with our Company or shares common interests with our Company. We cannot assure you that they will refrain from engaging in such business in the future, in India, or that conflicts of interests will not arise between our corporate Promoters and our Company. In addition, we cannot assure you that our individual Promoter will not try causing our Company to take actions, or refrain from taking actions, for the benefit of our corporate Promoters, or will not favour the interests of such companies over our interest or that, in the absence of non-compete arrangements with such entities, we will be able to suitably resolve any such conflict without an adverse effect on our business or operations.

46. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties including remuneration paid to our Directors. For further information, see "*Financial Statements*" on page 209. We cannot assure you that we will receive similar terms in our related party transactions in the future and that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.

The transactions we have entered into and any further transactions that we may have with our related parties could potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

47. Some of our Directors may have interest in entities, which are in businesses similar to ours and this may result in conflict of interest with us.

As on the date of this Draft Red Herring Prospectus, one of our Directors and Promoter, David Scott Glen has interests in entities that are engaged in businesses similar to ours. David Scott Glen holds 75% of the share capital of Banktech Group, which holds 100% of the share capital of BTI Payments Singapore. Banktech Group and BTI Payments Singapore, our promoter entities, are in similar lines of business to our Company, and there can be no assurance that conflicts of interest will not occur between our business and the businesses of such entities, which could have an adverse effect on our business and prospects. While there is presently no conflict, there is no assurance that our Directors will not provide competitive services or otherwise compete in business lines in which we are already present in India or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition.

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

Currently, our Promoters own an aggregate of 51.05% of our outstanding Equity Shares. Following the completion of the Offer, certain Promoter Shareholders will continue to hold approximately [●]% of our post-Offer Equity

Share capital which will allow them to exercise significant control over the outcome of the matters submitted to our shareholders for approval. For details of their shareholding pre- and post- Offer, see "*Capital Structure*" on page 78. This concentration of ownership may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult without the support of these shareholders. In addition, these Shareholders have the ability to exercise influence over our business, and may cause us take actions that are not in, or may conflict with, our or our other shareholder's best interests, including matters relating to our management and policies and the election of our directors and senior management, the approval of lending and investment policies, revenue budgets, capital expenditure, dividend policy, strategic acquisitions and fund raising activities. The interests of our significant shareholders could conflict with our interests or the interests of our other shareholders. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

49. Our intellectual property rights may be subject to infringement or we may breach third party intellectual property rights.

Our trade name "*india1ATM*" and our logo "*india1ATM*" are registered (under class 9 and class 36) with the Trademarks Registry, Mumbai. Other trade names are "*BTI INDIA1ATM*" and "*BTI*" are registered with the Trademarks Registry, Mumbai. There can be no assurance that third parties will not infringe on our intellectual property, causing damage to our business prospects, reputation and goodwill. We may be subject to claims by third parties, both inside and outside India, if we breach their intellectual property rights by using slogans, names, designs, software or other such subjects, which are of a similar nature to the intellectual property these third parties may have registered. We may need to litigate to protect our intellectual property or to defend against third party infringement. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorised use or take appropriate and timely steps to enforce or protect our intellectual property. Any inability to use or protect our intellectual property could affect our relationships with our customers, which could materially and adversely affect our brand, business, results of operations and financial condition.

We may also be subject to claims by third parties, both inside and outside India, if we breach their intellectual property rights by using slogans, names, designs, software or other such subjects, which are of a similar nature to the intellectual property these third parties may have registered. Any legal proceedings that result in a finding that we have breached third parties' intellectual property rights, or any settlements concerning such claims, may require us to provide financial compensation to such third parties or make changes to our marketing strategies or to the brand names of our products, which may have a materially adverse effect on our brand, business, results of operations and financial condition.

50. Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Draft Red Herring Prospectus.

Our Restated Financial Statements as of, and for the years ended, March 31, 2021, 2020 and 2019, have been prepared and presented in accordance with Ind-AS. Ind-AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind-AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on the prospective investor's familiarity with Ind-AS and the Companies Act. Any reliance by persons not familiar with Ind-AS on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

51. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

Our proposed utilisation of Offer Proceeds are set forth under "*Objects of the Offer*" on page 93. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoter to provide an exit opportunity to such dissenting shareholders may deter the Promoter from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

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

We intend to utilize the Net Proceeds of the Offer as set forth in "Objects of the Offer" beginning on page 93. The funding requirements and proposed deployment mentioned as a part of the objects of the Offer are based on internal management estimates in view of past expenditures, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies and since we have not presently entered into any definitive agreements for the use of Net Proceeds. We may have to revise our funding requirements and deployment from time to time due to various factors, such as changes in costs, financial and market conditions, business and strategy considerations and interest and exchange rate fluctuations or other external factors, which may or may not be within the control of our management. This may entail rescheduling and revising planned expenditure and funding requirements and increasing or decreasing expenditures for a particular purpose from planned expenditures at the discretion of our management and subject to applicable law. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds. Further, we will appoint a monitoring agency for monitoring the utilisation of Net Proceeds in accordance with Regulation 41 of the SEBI ICDR Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, we may also use funds for future businesses and products which may have risks significantly different from what we currently face or may expect. Further, we may not be able to attract personnel with sufficient skills or sufficiently train our personnel to manage our expansion plans.

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

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

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

As part of our operations, we are required to comply with the Information Technology Act, 2000 and the rules thereof, which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and failure to protect sensitive personal data. India has already implemented certain privacy laws, including the

Information Technology (Reasonable Security Practices and Procedures and or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information.

Additionally, the GoI, in December 2019, published the Personal Data Protection Bill, 2019, which provides for a framework for protection of personal data and use of non-personal data and seeks to, among others, lay down norms for cross-border transfer of personal data, define the scope of the definition of personal data and non-personal data, establishment of a data protection authority and ensure the accountability of entities processing personal data. The Bill, if passed in its current form, may require us to undertake additional measures to protect the security of the sensitive personal data and may impose severe penalties (which may extend Rs. 50 million or 2% of the data fiduciaries total worldwide turnover of the preceding financial year, whichever is higher) if there is any failure to take reasonable security precautions, safeguard personal information or collect such information in the future. For further details, see "*Key Regulations and Policies*" on page 172. The introduction of new information technology legislation may require us to modify our existing systems, or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses and adversely affect our financial condition. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, results of operations and financial condition

54. *If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.*

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our diagnostic centres adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India, including within the healthcare sector. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition and results of operations. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

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

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

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

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

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CRISIL Report or extracts of the CRISIL Report prepared by CRISIL Research, which is not related to our Company, Directors or Promoters. We commissioned this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CRISIL Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CRISIL Report should be read taking into consideration the foregoing.

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

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer. See "*Industry Overview*" on page 110. For the disclaimers associated with the CRISIL Report, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*" on page 13.

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

We track certain operational metrics, including transaction volumes and key business and non-GAAP metrics such as GTV, EBITDA, EBITDA margin, among others, with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, results of operations and financial condition would be adversely affected.

58. We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.

The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholders shall be entitled to the net proceeds from the Offer for Sale, in proportion to their respective portion of the Offered Shares transferred by each of them in the Offer for Sale (net of Offer expenses shared by the Selling Shareholders), and our Company will not receive any proceeds from the Offer for Sale.

59. Our Company is foreign owned and controlled as per the Consolidated FDI Policy and FEMA Rules. Any investment by our Company in any business or subsidiaries will be classified as downstream investments under Indian foreign investment laws.

We are, and after the Offer will remain, a "foreign owned and controlled" company in accordance with the Consolidated FDI Policy and FEMA Rules. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. While we do not currently have any subsidiaries, we may acquire business in the future that may be engaged in business sectors which fall under the approval route, or where foreign investment is subject to sectoral conditionalities. In terms of the Consolidated FDI Policy, if our Company acquires any such companies, any investment in such companies will be subject to restrictions on foreign investments under the FDI Policy.

60. We have issued Equity Shares during the preceding one year at a price that may be below the Offer Price.

We have issued Equity Shares in the last 12 months at a price that may be lower than the Offer Price, as set out in the table below.

Date of Allotment	Name(s) of allottee(s)	No. of Equity Shares allotted	Face Value per Equity Share (₹)	Issue Price per Equity Shares (₹)	Nature of Consideration	Reason of allotment
August 13, 2021	155 Equity Shares to India Advantage Fund S4 I and 14 Equity Shares to Dynamic India Fund S4 US I	169**	10**	-	Cash*	Conversion of 120 2019 CCPS to 169 Equity Shares

[*] Consideration was paid at the time of issuance of 2019 CCPS at ₹405 per 2019 CCPS each allotted on August 19, 2019. 110 CCPS were converted into 155 equity shares and allotted to India Advantage Fund S4 I and 10 CCPS were converted into 14 equity shares and allotted to Dynamic India Fund S4 US I

***The above has not been adjusted for sub-division of equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each..*

External Risks

Risks Relating to India

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

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

For instance, the GoI has recently introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. In another example, the GoI has made it mandatory for business establishments with turnover above a certain size to offer digital modes of payment from November 2019, with no charges being levied on the customers or the merchants by banks and payment service providers. Such measures could adversely impact our income streams in the future and adversely affect its financial performance.

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

62. Financial difficulty and other problems in certain financial institutions in India could materially adversely affect our business and the price of our equity shares.

We are exposed to the risks of the Indian financial system by being a part of the system. The financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. Such "systemic risk" may materially adversely affect financial intermediaries, such as clearing agencies and banks with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, results of operations and financial condition. Our transactions with these financial institutions expose us to various risks in the event of default by a counterparty, which can be exacerbated during periods of market illiquidity.

63. Our business is affected by global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, results of operations, financial condition and prospects.

Our business depends substantially on global economic conditions. The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, results of operations and financial condition.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union.

Trade tensions between the U.S. and major trading partners, most notably China, continue to escalate following the introduction of a series of tariff measures in both countries. Although China is the primary target of U.S. trade measures, value chain linkages mean that other emerging markets, primarily in Asia, may also be impacted. China's policy response to these trade measures also presents a degree of uncertainty. There is some evidence of China's monetary policy easing and the potential for greater fiscal spending, which could worsen existing imbalances in its economy. This could undermine efforts to address already high debt levels and increase medium-term risks. These and other related factors such as concerns over recession, inflation or deflation, energy costs, geopolitical issues, slowdown in economic growth in China and Renminbi devaluation, commodity prices and the availability and cost of credit have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the United States, Europe and the global credit and financial markets. This and any prolonged financial crisis may have an adverse impact on the Indian economy, and in turn on our business, results of operations and financial condition and prospects.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States which may in turn impact global borrowing as well. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, results of operations and financial condition.

Since December 2019, the ongoing outbreak of COVID-19 has affected countries globally, with the World Health Organisation declaring the outbreak as a pandemic on March 12, 2020. There have been border controls, lockdowns and travel restrictions imposed by various countries, as a result of the COVID-19 outbreak. Such outbreak of an infectious disease together with the resulting restrictions on travel and/or imposition of lockdown measures have resulted in protracted volatility in domestic and international markets has resulted in a global slowdown and crisis. In particular, the COVID-19 outbreak has caused stock markets worldwide to fluctuate significantly in value and has impacted global economic activity. A number of governments have revised gross domestic product growth forecasts for 2020 and 2021 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis or recession.

If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, results of operations and financial condition and prospects may be adversely affected.

64. Natural calamities, climate change and health epidemics and pandemics such as COVID-19 could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, results of operations and financial condition.

India has experienced natural calamities, such as earthquakes and floods in recent years. Natural calamities could have an adverse impact on the Indian economy which, in turn, could adversely affect our business, and may damage or destroy our ATM facilities or other assets. Any of these natural calamities could adversely affect our business, results of operations and financial condition.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. In addition, the COVID-19 pandemic, has caused a worldwide health crisis and economic downturn. Any future outbreak of health epidemics may restrict the level of business activity in affected areas, which may, in turn, adversely affect our business. See "*The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, results of operations and financial condition*" on page 26.

Our operations including our ATM and/or POS networks may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our ATM network. Any of the above factors may adversely affect our business, results of operations and financial condition.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Recently there have been ongoing mass protest by farmers, against three farm acts which were passed by the Parliament of India in September 2020. The introduction of the law caused protests in several parts of the country like Delhi, Haryana and Punjab. In case there are mass protests leading to civil unrest, such incidents could impact both our operations and adversely affect our business, financial condition and results of operations. Present relations between India and Pakistan continue to be fragile on the issues of terrorism, armaments and Kashmir. In April 2019, skirmishes along India’s border with Pakistan and the downing of an Indian military jet fighter plane significantly escalated tensions between the two countries. India has also experienced terrorist attacks in some parts of the country. In November 2008, several coordinated shooting and bombing attacks occurred across Mumbai, India’s financial capital. These attacks resulted in loss of life, property and business. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

65. Our business is substantially affected by prevailing economic, political and others prevailing conditions in India.

Substantially all of our business, assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy include:

- global slowdown of the financial market and economies contributing to weakness in the Indian financial and economic environment;
- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- regulatory changes in the banking sector or ATM business in India;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India‘s various neighbouring countries;
- occurrence of natural or man-made disasters;
- global health crises and pandemics like the Covid-19 pandemic;
- prevailing regional or global economic conditions;
- delinquent loans and low credit growth, deterioration in asset quality resulting in an adverse effect on the Indian economy;
- increased volatility of commodity prices;
- financial difficulties faced by certain financial institutions / intermediaries such as clearing agencies, banks, securities firms and exchanges;
- increase in India’s trade deficit;
- downgrading of rating of India, the Indian banking sector by rating agencies; and
- other significant regulatory or economic developments in or affecting India or its banking sector and ATM businesses.

An adverse impact on the Indian economy due to any of the above-mentioned factors, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

66. *The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares.*

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

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

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

67. *Any adverse change in India's sovereign credit rating by international rating agencies could adversely affect our business, results of operations, financial condition and cash flows.*

In November 2016, Standard & Poor's, an international rating agency, reiterated its negative outlook on India's credit rating. It identified India's high fiscal deficit and heavy debt burden as the most significant constraints on its rating, and recommended the implementation of reforms and containment of deficits. Standard & Poor's affirmed its outlook on India's sovereign debt rating to "stable", while reaffirming its "BBB-" rating. In May 2017, Fitch, another international rating agency, affirmed India's sovereign outlook to "stable" and affirmed its rating as "BBB-". In November 2017 Moody's Investors Service ("Moody's") upgraded the Sovereign Credit Rating of India to Baa2 from Baa3 and changed the outlook on the rating to stable from positive. On June 1, 2020, Moody's downgraded India's sovereign rating to the lowest investment grade and maintained the outlook from stable to negative. This is a result of the pandemic, which has exacerbated India's weak fiscal setting. However, on June 10, 2020, S&P Global affirmed its BBB-long-term sovereign ratings on India with a stable outlook. Prior to the onset of the pandemic, India's GDP growth slowed on account of existing vulnerabilities such as a weak financial sector and subdued private investment. Going forward, the sovereign ratings outlook will remain dependent on whether the government is able to transition the economy into a high-growth environment, as well as exercise adequate fiscal restraint. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our business, results of operations, financial condition and cash flows.

68. *Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. For further details, please see on "*Restrictions on Foreign Ownership of Indian Securities*" on page 341.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**"), the foreign direct investment policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Furthermore, on April 22, 2020, the Ministry of Finance, GoI has also made similar amendment to the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

69. It may not be possible for investors to enforce any judgment obtained outside India against us, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.

The enforcement of civil liabilities by overseas investors in the Equity Shares, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be adversely affected by the fact that the Company is incorporated under the laws of the Republic of India and most of its executive officers and directors reside in India. As a result, it may be difficult to enforce the service of process upon the Company and any of these persons outside of India or to enforce outside of India, judgments obtained against the Company and these persons in courts outside of India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes, among others, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908. Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us or our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment in the same manner as any other suit filed to enforce a civil liability in India. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment.

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

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

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

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

Risks Relating to the Equity Shares

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

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

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

72. Currency exchange rate fluctuations may affect the value of the Equity Shares.

The exchange rate between the Rupee and other foreign currencies, including the U.S. Dollar, the British pound sterling, the Euro, the Hong Kong Dollar, the Singapore Dollar and the Japanese Yen, has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Rupees may affect the value of the investment in the Company’s Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- the foreign currency equivalent of the Rupee trading price of the Company's Equity Shares in India;
- the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of the Company's Equity Shares; and
- the foreign currency equivalent of cash dividends, if any, on the Company's Equity Shares, which will be paid only in Rupees.

You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, the Company's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of the Company's operating results.

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

Our Company has not declared dividends on our Equity Shares during the current Fiscal Year and the last three Fiscal Years. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to dividend declared by us in the past, see "*Dividend Policy*" on page 208.

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

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 102 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" commencing on page 309. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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

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

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

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

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

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

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

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

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

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

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

- the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;

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

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

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

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

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

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

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

81. You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Offer have been Allotted and all relevant documents are submitted to the Stock Exchanges. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the demat accounts of the Investors are expected to be credited within three Working Days of the date on which the Basis of Allotment is finalized with the Designated Stock Exchange. In addition, upon receipt of listing and trading approval from the Stock Exchanges, trading of Equity Shares is expected to commence within six Working Days from Bid/ Offer Closing Date. There could be failure or delays in listing the Equity Shares on the Stock Exchanges.

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

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

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

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

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

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

SECTION III - INTRODUCTION

THE OFFER

The following table summarises details of the Offer:

Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million
The Offer consists of:	
Fresh Issue[(1)^]	Up to [●] Equity Shares aggregating up to ₹ 1,500 million
Offer for Sale[(2)]	Up to 10,305,180 Equity Shares aggregating up to ₹ [●] million
Employee Reservation Portion[(3)]	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares, aggregating up to ₹[●] million
Of which	
A. QIB Category[(4)(5)]	Not less than [●] Equity Shares
Of which:	
Anchor Investor Portion[(5)]	Up to [●] Equity Shares
Balance available for allocation to QIBs other than the Anchor Investor Portion (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
Available for allocation to Mutual Funds only (5% of the QIB Category (excluding Anchor Investor Portion))	[●] Equity Shares
Balance of QIB Category for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Category[(4)]	Not more than [●] Equity Shares
C. Retail Category[(4)]	Not more than [●] Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (prior to conversion of the outstanding CCPS)	18,497,634 Equity Shares
Equity Shares outstanding prior to the Offer (after conversion of the outstanding CCPS)	32,428,310 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Utilisation of Net Proceeds	See "***Objects of the Offer***" on page 93 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

^Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

(1) The Offer has been authorised pursuant to the resolution dated September 4, 2021 passed by the Board and the Fresh Issue has been authorised pursuant to the resolution dated September 4, 2021 passed by the Shareholders.

*(2) Each of the Selling Shareholders, severally and not jointly, has authorised and confirmed their respective participation in the Offer for Sale as stated under "- **Notes**" below. The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and the respective Offered Shares arising from conversion of the respective CCPS held by such Selling Shareholders will be eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Equity Shares proposed to be offered by the Selling Shareholders includes all or a portion of the Equity Shares which will be issued upon conversion of the CCPS held by them as on date of this DRHP. The conversion of CCPS will be completed prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations. For more details, see "**Capital Structure**" beginning on page 78. Each of the Selling Shareholders have severally confirmed and approved their respective participation in the Offer for Sale as set out below:*

S. No.	*Name of Selling Shareholders*	*Number of Equity Shares offered in the Offer for Sale**	*Date of board resolution*	*Date of consent letter*
1.	*The Banktech Group*	*Up to 100,000 Equity Shares*	*August 30, 2021*	*September 3, 2021*
2.	*BTI Payments Singapore*	*Up to 2,508,430 Equity Shares*	*August 30, 2021*	*September 3, 2021*
3.	*India Advantage Fund S3 I*	*Up to 4,994,391 Equity Shares*	*August 20, 2021*	*September 4, 2021*
4.	*India Advantage Fund S4 I*	*Up to 2,486,170 Equity Shares*	*August 20, 2021*	*September 4, 2021*
5.	*Dynamic India Fund S4 US I*	*Up to 216,189 Equity Shares*	*August 30, 2021*	*September 4, 2021*

** Includes equity shares to be issued pursuant to conversion of CCPS prior to the filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) and Regulation 8 of SEBI ICDR Regulations.*

*(3)In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of allocation made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹ 500,000), shall be added to the Net Offer. Our Company in consultation with the BRLMs, may offer a discount of up to 10% of the Offer Price to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Issue Opening Date. For further details, see "**Offer Procedure**" and "**Offer Structure**" on pages 323 and 319 respectively.*

(4) Subject to valid Bids being received at or above the Offer Price, in the event aggregate demand in the QIB Category has been met, under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable law. Under-subscription, if any, in the QIB Category (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories. Subject to compliance with Rule 19(2)(b) of the SCRR, the Parties agree that under-subscription, if any, in any category except the QIB Portion (post Allocation to Anchor Investors), would be allowed to be met with spill-over from any other category or combination of categories pursuant to discussion with the Designated Stock Exchange, and Allotment will be in the following order: (a) such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed; (b) next, such number of Offered Shares offered by the Investor Selling Shareholders will be Allotted, in the same pro rata proportion as the Equity Shares offered by such Investor Selling Shareholders, that would result in the post-Offer aggregate shareholding of Investor Selling Shareholders to be not more than 24.9%, on a fully diluted basis; (c) once the Equity Shares have been Allotted as per (a) and (b) above, such number of Offered Shares offered by each of the Promoter Selling Shareholders, will be Allotted amongst each of the Promoter Selling Shareholders, in the same pro rata proportion as the Equity Shares offered by such Promoter Selling Shareholders, in the Offer for Sale; and (d) finally, the balance 10% of the Fresh Issue portion will be Allotted.

*(5) Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors, which price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Category. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIBs (other than Anchor Investors) in proportion to their Bids. For further details, see "**Offer Procedure**" on page 323.*

*For further information, see "**Capital Structure**", "**History and Certain Corporate Matters - Other Material Agreements**" and "**Financial Statements**" on pages 78, 181 and 209, respectively.*

Notes:

- The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 6(2) of the SEBI ICDR Regulations.
- The Offered Shares are eligible to be offered for sale in accordance with Regulation 8 of the SEBI ICDR Regulations. For further information, see "***Capital Structure***" on page 78.
- Our Company will not receive any proceeds from the Offer for Sale.
- Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Selling Shareholders and the BRLMs and the Designated Stock Exchange. Under-subscription, if any, in the Net QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Under subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company, the Managers and the Designated Stock Exchange
- The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares if any, shall be allocated on a proportionate basis. Allocation in all categories, except the Anchor Investor Portion and the Retail Category, shall be made on a proportionate basis subject to valid Bids being received at or above the Offer Price, as applicable. For more information, see "***Offer Procedure***" on page 323.

For details, including in relation to grounds for rejection of Bids, refer to "***Offer Procedure***" on page 323. For details of the terms of the Offer, see "***Terms of the Offer***" on page 314.

SUMMARY FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Statements as at and for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019.

*The summary financial information presented below should be read in conjunction with "**Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 209 and 270, respectively.*

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Restated Statement of Assets and Liabilities

(*All amounts in ₹ millions, unless otherwise mentioned*)

	As at 31 March 2021 Ind AS	As at 31 March 2020 Proforma Ind AS	As at 31 March 2019 Proforma Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	2,400.38	1,701.35	1,246.13
Right-of-use assets	1,331.83	1,012.51	819.20
Capital work-in-progress	-	-	1.42
Other intangible assets	10.93	9.01	10.31
Financial assets			
Loans	80.88	137.96	140.90
Other financial assets	165.37	78.59	0.39
Deferred tax assets (net)	154.31	142.20	114.30
Non-current tax assets	7.50	13.46	23.25
Other non-current assets	0.20	0.27	0.86
Total non-current assets	**4,151.40**	**3,095.35**	**2,356.76**
Current assets			
Inventories	2.65	-	-
Financial assets			
Investments	-	-	30.52
Trade receivables	12.44	13.74	28.18
Cash and cash equivalents	8,594.51	4,816.93	3,069.06
Bank balances other than cash and cash equivalents	638.77	376.09	397.10
Loans	89.30	12.86	9.48
Other financial assets	863.87	253.56	1,261.41
Other current assets	137.51	116.79	77.28
Total current assets	**10,339.05**	**5,589.97**	**4,873.03**
Total assets	**14,490.45**	**8,685.32**	**7,229.79**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	92.49	92.49	92.49
Instruments entirely equity in nature	49.38	38.39	12.46
Other equity	1,821.29	1,354.62	390.68
Total equity	**1,963.16**	**1,485.50**	**495.63**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	598.12	368.17	579.15
Other financial liabilities	1,509.55	965.23	659.78
Provisions	73.34	66.55	48.00
Other non-current liabilities	600.85	357.40	204.48
Total non-current liabilities	**2,781.86**	**1,757.35**	**1,491.41**
Current liabilities			
Financial liabilities			
Borrowings	8,444.84	4,212.31	4,133.88
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	15.15	5.67	7.23
(B) total outstanding dues of creditors other than (A) above	338.27	311.10	333.99
Other financial liabilities	843.04	841.10	725.17
Other current liabilities	85.07	59.03	36.02
Provisions	19.06	13.26	6.46
Total current liabilities	**9,745.43**	**5,442.47**	**5,242.75**
Total equity and liabilities	**14,490.45**	**8,685.32**	**7,229.79**

Restated Statement of Profit and Loss

(All amounts in ₹ millions, unless otherwise mentioned)

	As at 31 March 2021 Ind AS	As at 31 March 2020 Proforma Ind AS	As at 31 March 2019 Proforma Ind AS
Revenue			
Revenue from operations	3,175.98	2,560.56	2,292.81
Other income	94.60	100.90	56.82
Total income	**3,270.58**	**2,661.46**	**2,349.63**
Expenses			
Operating expenses	1,143.01	913.66	919.47
Purchases of stock-in-trade	4.73	-	-
Changes in inventories of stock-in-trade	(2.65)	-	-
Employee benefits expense	318.33	301.66	250.01
Finance costs	587.96	482.08	525.64
Depreciation and amortisation expense	845.68	717.47	646.52
Other expenses	351.94	332.64	300.77
Total expenses	3,249.00	2,747.51	2,642.41
Profit / (Loss) before tax	**21.58**	**(86.05)**	**(292.78)**
Tax expenses			
Current tax	-	-	-
Deferred tax credit	(11.80)	(27.39)	(50.94)
Total tax credit	**(11.80)**	**(27.39)**	**(50.94)**
Net profit / (loss) for the year	**33.38**	**(58.66)**	**(241.84)**
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Re-measurement of losses on defined benefit plans	(1.22)	(1.96)	(2.49)
Deferred tax credit on above	0.31	0.51	0.65
Other comprehensive loss for the year	**(0.91)**	**(1.45)**	**(1.84)**
Total comprehensive income / (loss) for the year	**32.47**	**(60.11)**	**(243.68)**
Earnings / (Loss) per equity share			
Basic (₹)	1.80	(3.17)	(13.07)
Diluted (₹)	1.12	(3.17)	(13.07)

Restated Statement of Changes in Equity

A. Equity share capital

(All amounts in ₹ millions, unless otherwise mentioned)

Particulars	Amount
Balance as at 01 April 2018 (Proforma Ind AS)	92.49
Changes in equity share capital during the year	-
Balance as at 31 March 2019 (Proforma Ind AS)	92.49
Changes in equity share capital during the year	-
Balance as at 31 March 2020 (Proforma Ind AS)	92.49
Changes in equity share capital during the year	-
Balance as at 31 March 2021 (Ind AS)	92.49

B. Instruments entirely equity in nature

(All amounts in ₹ millions, unless otherwise mentioned)

Particulars	Amount
Balance as at 01 April 2018 (Proforma Ind AS)	12.46
Changes in compulsorily convertible preference	-
Balance as at 31 March 2019 (Proforma Ind AS)	12.46
Changes in compulsorily convertible preference	25.93
Balance as at 31 March 2020 (Proforma Ind AS)	38.39
Changes in compulsorily convertible preference	10.99
Balance as at 31 March 2021 (Ind AS)	49.38

(All amounts in ₹ millions, unless otherwise mentioned)

C. Other equity	Reserves and surplus				Money received against share	Total other equity
Particulars	Securities premium	Retained earnings	OCI	Total		
Balance as at 01 April 2018 (Proforma Ind AS)	2,936.48	(2,302.14)	-	634.34	-	634.34
Loss for the year	-	(241.84)	-	(241.84)	-	(241.84)
Remeasurement loss on defined benefit plans	-	-	(1.84)	(1.84)	-	(1.84)
Transaction with owners of the Company						
Issued during the year	-	-	-	-	0.02	0.02
Balance as at 31 March 2019 (Proforma Ind AS)	2,936.48	(2,543.98)	(1.84)	390.66	0.02	390.68
Loss for the year	-	(58.66)	-	(58.66)	-	(58.66)
Remeasurement loss on defined benefit plans	-	-	(1.45)	(1.45)	-	(1.45)
Transaction with owners of the Company						
Issued during the year	1,024.07	-	-	1,024.07	(0.02)	1,024.05
Balance as at 31 March 2020 (Proforma Ind AS)	3,960.55	(2,602.64)	(3.29)	1,354.62	-	1,354.62
Profit for the year	-	33.38	-	33.38	-	33.38
Remeasurement loss on defined benefit plans	-	-	(0.91)	(0.91)	-	(0.91)
Transaction with owners of the Company						
Issued during the year	434.20	-	-	434.20	-	434.20
Balance as at 31 March 2021 (Ind AS)	4,394.75	(2,569.26)	(4.20)	1,821.29	-	1,821.29

Restated Statement of Cash Flows

(*All amounts in ₹ millions, unless otherwise mentioned*)

	Year ended 31 March 2021 Ind AS	Year ended 31 March 2020 Proforma Ind AS	Year ended 31 March 2019 Proforma Ind AS
A. Cash flow from operating activities			
Net Profit/(Loss) before tax	21.58	(86.05)	(292.78)
Adjustments for:			
Depreciation and amortisation	845.68	717.50	646.51
Interest income (including unwinding of discount on deposits - asset)	(44.56)	(43.90)	(36.18)
Interest expense on lease obligation	118.85	82.91	90.36
Finance cost on borrowings	434.53	377.39	425.25
Provisions and liabilities no longer required written back	(42.58)	(30.12)	(10.61)
Advances written off	0.35	0.09	0.38
Gain on modification of financial instrument (net)	-	(1.60)	(2.81)
Net gain on sale of current investment	-	(17.59)	(1.59)
Unwinding of discount on deposits – liability	34.58	21.78	10.02
Sale of property, plant and equipment	(4.11)	(3.58)	(5.54)
Property, plant and equipment written off	9.22	14.94	19.43
	1,351.96	**1,117.82**	**1,135.22**
Operating profit before working capital changes	**1,373.54**	**1,031.77**	**842.44**
Adjustments for working capital changes			
Decrease / (increase) in Inventories	(2.65)	-	-
Decrease in trade receivables	1.31	14.43	38.15
(Increase) in loans	(19.36)	(10.45)	(14.13)
Decrease / (increase) in other financial assets	(610.31)	1,007.86	(869.50)
Decrease / (increase) in other current assets	(21.07)	(39.60)	(27.53)
(Decrease) / Increase trade payables	36.65	(24.45)	1.43
Increase in other financial liabilities	213.16	181.25	298.84
Increase in other liabilities	269.49	175.93	12.75
Increase in provisions	11.37	23.39	10.18
	(121.41)	**1,328.36**	**(549.81)**
Cash generated from operations	**1,252.13**	**2,360.13**	**292.63**
Net income tax refund / (paid)	5.96	9.79	(6.81)
Net cash generated from operating activities (A)	**1,258.09**	**2,369.92**	**285.82**
B. Cash flow from investing activities			
Purchase of property, plant and equipment and other intangible asset	(1,111.72)	(731.34)	(296.61)
Proceeds from sale of current investments	-	1,084.81	-
Purchase of current investments	-	(1,036.71)	(30.00)
Proceeds on disposal of property, plant and equipment	26.72	10.61	11.62
Investments in bank deposits (having original maturity of more than three months), net	(349.46)	(57.19)	(54.37)
Interest received	29.45	30.09	23.78
Net cash used in investing activities (B)	**(1,405.01)**	**(699.73)**	**(345.58)**
C. Cash flow from financing activities			
Proceeds from Issue of Compulsorily Convertible Preference shares (including premium)	445.19	1,050.00	-
Proceeds from issue of share warrants	-	-	0.02
Repayment on cancellation of share warrants	-	(0.02)	-
Repayment of long-term borrowings	(542.71)	(254.17)	(725.00)
Proceeds from long term borrowings	750.00	-	769.87
Proceeds from short term borrowings	6,493.67	2,702.22	801.04
Repayment of short term borrowings	(2,700.00)	(800.00)	-
Interest and other bank charges paid	(453.08)	(375.26)	(429.71)
Payment of principal portion of lease liabilities	(388.58)	(338.39)	(282.87)
Interest paid on lease liabilities	(118.85)	(82.91)	(90.36)
Net cash generated from financing activities (C)	3,485.64	1,901.47	42.99
Net increase in cash and cash equivalents (A+B+C)	3,338.72	3,571.66	(16.77)

	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
Cash and cash equivalents at the beginning of the year	3,307.88	(263.78)	(247.01)
Cash and cash equivalents at the end of the year	**6,646.60**	**3,307.88**	**(263.78)**
Components of cash and cash equivalents			
Cash and cash equivalents (refer Annexure VI, note 13)	8,594.51	4,816.93	3,069.06
Less: Bank Overdrafts (refer Annexure VI, note 18)	(1,947.91)	(1,509.05)	(3,332.84)
	6,646.60	3,307.88	(263.78)

Note:
Bank Overdrafts is shown under cash and cash equivalent as per requirement of IND AS 7, hence proceeds from borrowings under financing activity is excluding the movement in bank overdraft.

GENERAL INFORMATION

Our Company was incorporated on June 30, 2006 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, with the name "Banktech India Private Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Maharashtra at Mumbai. The registered office of our Company was shifted from Mumbai, Maharashtra to Bengaluru, Karnataka and a certificate of registration of the Company Law Board order for change of state was issued to us by the RoC on August 8, 2009. Subsequently, the name of our Company was changed to "BTI Payments Private Limited" pursuant to our Shareholders' resolution dated January 31, 2013 and a fresh certificate of incorporation was issued by the RoC on February 18, 2013. The name of our Company was further changed to "India1 Payments Private Limited" pursuant to our Shareholders' resolution dated August 17, 2021 and a fresh certificate of incorporation was issued by the RoC on August 25, 2021. Pursuant to the conversion of our Company to a public limited company and as approved by our Shareholders pursuant to a resolution dated August 26, 2021, the name of our Company was changed to "India1 Payments Limited" and the RoC issued a fresh certificate of incorporation on September 2, 2021. For further details of changes in name of our Company, see "***History and Certain Corporate Matters – Amendments to the Memorandum of Association***" on page 178.

Company Registration Number: 050581

Corporate Identity Number: U93090KA2006FLC050581

Registered and Corporate Office
Units No. 801 to 810,
8th Floor, Tower "B",
Diamond District, #150,
Old Airport Road,
Bengaluru, Karnataka,
India – 560008
Tel: 080 4357 4400

Address of the Registrar of Companies

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

Registrar of Companies, Karnataka at Bengaluru
E' Wing, 2nd Floor
Kendriya Sadan
Koramangala
Bengaluru 560 034
Karnataka, India

Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Draft Red Herring Prospectus:

Name and Designation	Designation	DIN	Address
R. Subramaniakumar	Chairman and Independent Director	07825083	No. 2, Ragamalika Flats, 17-18, Mahalakshmi Avenue, Thiruvanmiyur, Chennai, Tamil Nadu, India – 600 041
K Srinivas	Managing Director and Chief Executive Officer	03533535	Villa A-35, Windmills of Your Mind, No. 331, Road 5B, Next to L&T Infotech Epip Zone, Whitefield, Bengaluru, Karnataka, India – 560 066
David Scott Glen	Non-Executive Director	02073436	299 Edgecliff Road, Woollahra New South Wales - 2025, Australia
Peter Alexander Blackett	Non-Executive Nominee Director (*nominee of The Banktech Group*)	06649881	4 Finchley Place, Glenhaven NSW, 2156, Australia
Nikhil Mohta	Non-Executive Nominee Director	00932030	A 406, Oberoi Springs, Off Link Road, Andheri West, Mumbai, Maharashtra, India – 400 053

Name and Designation	Designation	DIN	Address
	(*nominee of India Advantage Fund S4 I*)		
Natrajan Ramkrishna	Independent Director	06597041	201, Marvel Amora, 1st Main Road, Behind CMH Hospital, 225 Defence Colony, Bengaluru, Karnataka, India – 560 038
Amrita Gangotra	Independent Director	08333492	A-118 E, Sector 35, Noida, Uttar Pradesh, India – 201 301
Ruchita Taneja Aggarwal	Independent Director	09295623	B3 - 203, Parsvnath Exotica, Golf Course Road, Sector - 53, Gurgaon, Haryana – 122 002

For brief profiles and further details in respect of our Directors, see "***Our Management***" on page 185.

Company Secretary and Compliance Officer

Mohit Nagar is the Company Secretary and the Compliance Officer of our Company, whose contact details are as follows:

Units No. 801 to 810,
8th Floor, Tower "B",
Diamond District, #150,
Old Airport Road,
Bengaluru, Karnataka,
India – 560 008
Tel: 080 4357 4509
E-mail: corporate.secretarial@india1.co.in

Investors may contact the Company Secretary and the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

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

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

Filing of the Offer Documents

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD", and will also be uploaded on the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act 2013 would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act 2013 would be filed with the RoC at its office (address of RoC mentioned below).

Book Running Lead Managers

JM Financial Limited
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: (+ 91 22) 66303030
E-mail: india1payments.ipo@jmfl.com
Website: www.jmfl.com
Investor Grievance E-mail:
grievance.ibd@jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

Edelweiss Financial Services Limited
6th Floor, Edelweiss House
Off C.S.T. Road, Kalina
Mumbai 400 098
Maharashtra, India
Tel: (+ 91 22) 4009 4400
E-mail: India1.ipo@edelweissfin.com
Website: www.edelweissfin.com
Investor grievance E-mail:
customerservice.mb@edelweissfin.com
Contact person: Lokesh Shah
SEBI Registration No.: INM0000010650

IIFL Securities Limited
10th Floor, IIFL Centre, Kamala City
Senapati Bapat Marg, Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4646 4600
E-mail: india1.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Dhruv Bhagwat/ Keyur Ladhawala
SEBI Registration No.: INM000010940

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

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

Sr. No.	Activity	Responsibility	Coordination
1.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc. Due diligence of our Company's operations/management/business /legal etc., Drafting and design of this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of the Red Herring Prospectus, Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	JM Financial, Edelweiss, IIFL	JM Financial
2.	Drafting and approval of statutory advertisement	JM Financial, Edelweiss, IIFL	JM Financial
3.	Drafting and approval of all publicity material other than statutory advertisements including corporate advertisements, brochures, filing of media compliance report with SEBI, etc.	JM Financial, Edelweiss, IIFL	IIFL
4.	Appointment of Registrar to the Offer, Printer to the Offer, and Advertising Agency (including coordination for their agreements)	JM Financial, Edelweiss, IIFL	JM Financial
5.	Appointment of Sponsor Bank, Banker(s) to the Offer, and other intermediaries (including co-ordination for their agreements)	JM Financial, Edelweiss, IIFL	Edelweiss

Sr. No.	Activity	Responsibility	Coordination
6.	• Preparation of road show presentation for the road show team	JM Financial, Edelweiss, IIFL	Edelweiss
7.	• Preparation of FAQs for the road show team	JM Financial, Edelweiss, IIFL	IIFL
8.	International institutional marketing of the Offer, which will cover, *inter alia*: • International Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule.	JM Financial, Edelweiss, IIFL	Edelweiss
9.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Domestic Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule.	JM Financial, Edelweiss, IIFL	JM Financial
10.	Conduct Non-institutional and retail marketing of the Issue, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows • Finalising collection centres • Finalising application form • Finalising centres for holding conferences for brokers etc. • Follow - up on distribution of publicity and Issue material including form, RHP/Prospectus and deciding on the quantum of the Issue material	JM Financial, Edelweiss, IIFL	IIFL
11.	Managing anchor book related activities, coordination with Stock Exchanges for anchor intimation, submission of letters regulators post completion of anchor allocation, book building software, bidding terminals and mock trading, payment of 1% security deposit to the designated stock exchange.	JM Financial, Edelweiss, IIFL	Edelweiss
12.	Managing the book and finalization of pricing in consultation with our Company	JM Financial, Edelweiss, IIFL	JM Financial
13.	Post bidding activities including management of escrows accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, unblocking of application monies, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.	JM Financial, Edelweiss, IIFL	IIFL

Sr. No.	Activity	Responsibility	Coordination
	Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholders under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance(No. 2) Act, 2004. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI.		

Syndicate Members

[●]

Legal Counsel to the Company as to Indian Law

Shardul Amarchand Mangaldas & Co.
24th Floor, Express Towers
Nariman Point
Mumbai 400 021
Maharashtra, India
Telephone: +91 22 4933 5555

Legal Counsel to the BRLMs as to Indian Law

J. Sagar Associates
Sandstone Crest, Opposite Park Plaza Hotel
Sushant Lok - Ph 1, Gurgaon 122 009, India
Tel: +91 124 439 0600

Legal Counsel to the Promoter Selling Shareholders as to Indian Law

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

Legal Counsel to the Investor Selling Shareholders

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

International Legal Counsel to the BRLMs

Dentons US LLP
2000 McKinney Avenue,
Suit 1900,
Dallas, Texas 75201-1858
Tel: +1 214 259 0952

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bhadur Shastri Marg
Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: (+91 22) 4918 6200
E-mail: india1.ipo@linkintime.co.in
Investor Grievance E-mail: india1.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Escrow Bank

[●]

Public Offer Account Bank

[●]

Refund Bank

[●]

Sponsor Bank

[●]

Banker to our Company

Australia and New Zealand Banking Group Limited
6th floor, Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 4000 25
E-mail: vikas.thakkar@anz.com

HDFC Bank Limited
No. 8/24, Salco Centre Richmond Road,
Bangaluru – 560 025
E-mail: support@hdfcbank.com

The Federal Bank Limited
Corporate & Institutional Banking Department
3rd Floor, Halcyon Complex. No. 9 St Marks Roads
Bengaluru– 560 001
Tel: 080 – 2207 4624
Email: bgrb@federalbank.co.in

IDFC First Bank Limited
79, Residency Road,
Bengaluru– 560 025
Tel: 080 - 4656783
E-mail: murali.lakshmanan@idfcfirstbank.com

ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai – 400 051

Designated Intermediaries:

Self Certified Syndicate Banks

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

SCSBs enabled for UPI Mechanism

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

Syndicate SCSB Branches

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

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

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

Statutory Auditors of our Company

Walker Chandiok & Co LLP
16th floor, Tower II
Indiabulls Finance centre, S B Marg
Elphinstone (West)
Mumbai 400 013, India
Tel: +91 22 6626 26000
E-mail: khushroo.panthaky@walkerchandiok.in
Peer Review Number: 011707
Firm Registration Number: 001076N/N500013

Changes in auditors

There has been no change in the statutory auditors of the Company during the last three years.

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Appraising Entity

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

Credit Rating

As this is an Offer of Equity Shares, there is no credit rating required.

Trustees

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

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for the Fresh Issue prior to the filing of the Red Herring Prospectus with the RoC. The requisite details shall be included in the Red Herring Prospectus.

Expert

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

Our Company has received consent dated September 7, 2021 from our Statutory Auditor, who holds a valid peer review certificate, to include its name as required under Section 26 of the Companies Act 2013 read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert", as defined under Section 2(38) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of the report of the Statutory Auditor on the Restated Financial Information dated September 3, 2021 and the statement of possible special tax benefits dated September 3, 2021 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka where our Registered and Corporate Office is located) at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs after the Bid/ Offer Closing Date.

All investors (other than Anchor Investors) can participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. In addition to this, the RIIs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and other Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to revise or withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to Retail Individual Investors and the Anchor Investors, allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will

be on a discretionary basis. For further details on method and process of Bidding, see "*Offer Structure*" and "*Offer Procedure*" on pages 319 and 323, respectively.

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

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

For further details on the method and procedure for Bidding, see "***Offer Structure***" and "***Offer Procedure***" on pages 319 and 323, respectively.

Underwriting Agreement

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

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

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

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

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

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

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

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters after the determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

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

(in ₹, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	**AUTHORIZED SHARE CAPITAL[(1)]**		
	35,000,000 Equity Shares of face value of ₹ 5 each	175,000,000	-
	5,000,000 Preference Shares of face value of ₹ 10 each	50,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER(BEFORE CONVERSION OF OUTSTANDING CCPS)**		
	18,497,634 Equity Shares of face value of ₹ 5 each	92,488,170	-
	1,246,441 Promoter CCPS of face value of ₹ 10 each[(5)]	12,464,410	-
	3,691,711 2019 CCPS of face value of ₹ 10 each[(5)]	36,917,110	-
C)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER (AFTER CONVERSION OF OUTSTANDING CCPS)**		
	32,428,310 Equity Shares of face value of ₹ 5 each	162,141,550	-
D)	**PRESENT OFFER[(2)]**		
	Offer of up to [●] Equity Shares aggregating up to ₹ [●] million		
	which includes		
	Fresh Issue of up to [●] Equity Shares[(2)] aggregating up to ₹ 1,500 million	[●]	[●]
	Offer for Sale of up to 10,305,180 Equity Shares aggregating up to ₹ [●] million [(3)] [(4)]	[●]	[●]
	The Offer Includes		
	Employee Reservation Portion of up to [●] Equity Shares[(6)]	[●]	[●]
	Net Offer to the public of up to [●] Equity Shares	[●]	[●]
E)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹ 5 each	[●]	[●]
F)	**SECURITIES PREMIUM ACCOUNT**		
	Prior to the Offer (*as on date of this Draft Red Herring Prospectus*)		4,394,752,071
	After the Offer		[●]

* *To be updated upon finalisation of the Offer Price.*

(1) *For details in relation to changes in the authorized share capital of our Company, see "**History and Certain Corporate Matters – Amendments to the Memorandum of Association**" on page 178.*

(2) *The Offer has been authorized by a resolution dated September 4, 2021 passed by our Board and the Fresh Issue has been approved by a special resolution dated September 4, 2021 passed by our Shareholders. Our Company and Selling Shareholders, in consultation with the BRLMs, may consider a Pre-IPO Placement prior to the filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement shall be undertaken at the discretion of our Company and the price of the Equity Shares allotted pursuant to the Pre-IPO Placement shall be determined by our Company and Selling Shareholders, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.*

(3) *The Selling Shareholders have, severally and not jointly, confirmed and authorized their respective participation in the Offer for Sale as set out below:*

S. No.	*Name of Selling Shareholders*	*Number of Equity Shares offered in the Offer for Sale**	*Date of board resolution*	*Date of consent letter*
1.	*The Banktech Group*	*Up to 100,000 Equity Shares*	*August 30, 2021*	*September 3, 2021*
2.	*BTI Payments Singapore*	*Up to 2,508,430 Equity Shares*	*August 30, 2021*	*September 3, 2021*
3.	*India Advantage Fund S3 I*	*Up to 4,994,391 Equity Shares*	*August 20, 2021*	*September 4, 2021*
4.	*India Advantage Fund S4 I*	*Up to 2,486,170 Equity Shares*	*August 20, 2021*	*September 4, 2021*
5.	*Dynamic India Fund S4 US I*	*Up to 216,189 Equity Shares*	*August 30, 2021*	*September 4, 2021*

** Includes equity shares to be issued pursuant to conversion of CCPS prior to the filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) and Regulation 8 of SEBI ICDR Regulations.*

(4) *The Equity Shares proposed to be offered by the Selling Shareholders includes all or a portion of the Equity Shares which will be issued upon conversion of the CCPS held by them. The conversion of CCPS will be completed prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations. The Equity Shares to be offered by the Selling Shareholders in the Offer for Sale have been held by them for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and the respective Offered Shares (arising upon conversion of the respective CCPS held by such Selling Shareholders) will be eligible for being offered for sale in the Offer for Sale. For details see "**Other Regulatory and Statutory Disclosures**" on page 303.*

(5) *4,938,152 CCPS shall be converted into 13,930,676 Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance Regulation 5(2) of the SEBI ICDR Regulations.*

(6) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment*

*made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹500,000), shall be added to the Net Offer. For further details, see "**Offer Structure**" beginning on page 319.*

Notes to Capital Structure

1. Equity Share Capital History of our Company

The following table sets forth the history of the Equity Share capital of our Company.

Date of allotment	Name(s) of allottee(s)	Reason / nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
March 30, 2007	9999 equity shares to The Banktech Group and 1 equity shares to David Scott Glen	Initial subscription to the Memorandum of Association	10,000	10	10	Cash	10,000	100,000
August 20, 2008	The Banktech Group	Further Issue	99,505	10	100	Cash	109,505	1,095,050
January 5, 2009	The Banktech Group	Further Issue	28,990	10	100	Cash	138,495	1,384,950
March 31, 2009	The Banktech Group	Further Issue	15,910	10	100	Cash	154,405	1,544,050
August 24, 2009	The Banktech Group	Further Issue	99,450	10	100	Cash	253,855	2,538,550
December 10, 2009	The Banktech Group	Further Issue	28,585	10	100	Cash	282,440	2,824,400
April 24, 2010	The Banktech Group	Further Issue	23,612	10	100	Cash	306,052	3,060,520
March 10, 2011	The Banktech Group	Further Issue	69,693	10	100	Cash	375,745	3,757,450
November 5, 2011	The Banktech Group	Further Issue	144,575	10	50	Cash	520,320	5,203,200
February 29, 2012	The Banktech Group	Further Issue	52,017	10	100	Cash	572,337	5,723,370
March 19, 2012	The Banktech Group	Further Issue	258,709	10	100	Cash	831,046	8,310,460
September 29, 2012	The Banktech Group	Further Issue	183,514	10	150	Cash	1,014,560	10,145,600
November 23, 2012	The Banktech Group	Further Issue	157,911	10	150	Cash	1,172,471	11,724,710
December 31, 2012	The Banktech Group	Further Issue	185,817	10	150	Cash	1,358,288	13,582,880
February 19, 2013	The Banktech Group	Further Issue	39,423	10	150	Cash	1,397,711	13,977,110

Date of allotment	Name(s) of allottee(s)	Reason / nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
June 10, 2013	The Banktech Group	Further Issue	46,704	10	150	Cash	1,444,415	14,444,150
June 26, 2013	India Advantage Fund S3 I	Further Issue	2,229,600	10	210.80	Cash	3,674,015	36,740,150
June 26, 2013	The Banktech Group	Further Issue	2,018,181	10	220	Cash	5,692,196	56,921,960
May 6, 2014	India Advantage Fund S3 I	Further Issue	1,091,080	10	210.80	Cash	6,783,276	67,832,760
October 12, 2015	304,692 equity shares to India Advantage Fund S3 I and 317,714 equity shares to BTI Payments Singapore	Further Issue	622,406	10	482	Cash	7,405,682	74,056,820
January 12, 2016	456,431 equity shares to India Advantage Fund S3 I and 476,012 equity shares to BTI Payments Singapore	Rights Issue	932,443	10	482	Cash	8,338,125	83,381,250
March 31, 2016	445,769 equity shares to India Advantage Fund S3 I and 464,754 equity shares to BTI Payments Singapore	Rights Issue	910,523	10	523	Cash	9,248,648	92,486,480
August 13, 2021	155 equity shares allotted to India Advantage Fund S4 I and 14 equity shares allotted to Dynamic India Fund S4 US I	Conversion of 2019 CCPS	169	10	-(1)	Cash	9,248,817	92,488,170
August 13, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on August 13, 2021, our Company has sub-divided its equity shares, such that 9,248,817 equity shares of ₹ 10 each aggregating to ₹ 92,488,170 were sub-divided as 18,497,634 Equity Shares of ₹ 5 each aggregating to ₹ 92,488,170.							

(1) *Consideration was paid at the time of issuance of the 2019 CCPS at ₹405 per 2019 CCPS allotted on August 20, 2019*

2. **Preference Share capital history of our Company**

The history of the Preference Share capital of our Company is provided in the following table:

Date of allotment	Name of the Allottee	Nature of allotment	Number of preference shares allotted	Face value (₹)	Offer price per CCPS (₹)	Form of consideration	Cumulative number of preference shares	Cumulative paid-up preference shares capital (₹)
Promoter CCPS								
December 15, 2016	BTI Payments Singapore	Preferential Allotment	123,580	10	405	Cash	123,580	1,235,800
March 30, 2017	BTI Payments Singapore	Preferential Allotment	295,703	10	405	Cash	419,283	4,192,830
July 4, 2017	BTI Payments Singapore	Preferential Allotment	432,098	10	405	Cash	851,381	8,513,810
August 9, 2017	BTI Payments Singapore	Preferential Allotment	160,493	10	405	Cash	1,011,874	10,118,740
September 18, 2017	BTI Payments Singapore	Preferential Allotment	148,148	10	405	Cash	1,160,022	11,600,220
October 30, 2017	BTI Payments Singapore	Preferential Allotment	86,419	10	405	Cash	1,246,441	12,464,410
2019 CCPS								
August 20, 2019	2,271,605 2019 CCPS to India Advantage Fund S4 I, 197,531 2019 CCPS to Dynamic India Fund S4 US I and 123,457 2019 CCPS to BTI Payments Singapore	Preferential Allotment	2,592,593	10	405	Cash	2,592,593	25,925,930
January 21, 2021	BTI Payments Singapore	Preferential Allotment	692,469	10	405	Cash	3,285,062	32,850,620
February 15, 2021	BTI Payments Singapore	Preferential Allotment	406,769	10	405	Cash	3,691,831	36,918,310
August 13, 2021	India Advantage Fund S4 I and Dynamic India Fund S4 US I	Conversion of 2019 CCPS	(120)	10	-[(1)]	Cash	3,691,711	36,917,110

(1) *Pursuant to conversion of 120 2019 CCPS into 169 equity shares of ₹ 10 each, i.e. 110 CCPS were converted into 155 equity shares and allotted to India Advantage Fund S4 I and 10 CCPS were converted into 14 equity shares and allotted to Dynamic India Fund S4 US I.*

As on the date of this Draft Red Herring Prospectus, 1,246,441 Promoter CCPS and 3,691,711 2019 CCPS are outstanding. Such CCPS will be converted into 13,930,676 Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

3. **Shares issued for consideration other than cash or bonus issue**

Our Company has not issued any Equity Shares or preference shares for consideration other than cash or any bonus issues since its incorporation.

4. **Shares issued out of revaluation reserves**

Our Company has not issued any Equity Shares or preference shares out of revaluation reserves since its incorporation.

5. **Allotment of shares pursuant to schemes of arrangement**

Our Company has not allotted any Equity Shares or preference shares pursuant to a scheme of amalgamation approved under Sections 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act 2013, as applicable.

6. **Issue of Equity Shares under employee stock option schemes**

As on the date of this Draft Red Herring Prospectus, our Company has not made any issuance of Equity Shares pursuant to the exercise of employee stock options under the ESOP Plan.

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

Other than as disclosed in "*-Equity Share Capital History of our Company*" and "*-Preference Share capital history of our Company*", our Company has not issued any Equity Shares or preference shares in the last one year preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the Offer Price:

8. **History of the share capital held by our Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters, The Banktech Group and BTI Payments Singapore together hold 9,442,152 Equity Shares (*including 2 Equity Shares held by David Scott Glen and 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominees of The Banktech Group)*, representing 51.05% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details regarding our Promoters' shareholding is set out below:

S. No.	Name of the Promoter	Pre-Offer		Post-Offer	
		No. of Equity/ Preference Shares	Percentage of Equity/ Preference Share Capital (%)	No. of Equity Shares	Percentage of Equity / Preference Share Capital (%)
	Equity Shares				
1.	The Banktech Group[(1)]	6,925,192	37.44	[●]	[●]
2.	BTI Payments Singapore	2,516,960	13.61	[●]	[●]
	Total	**9,442,152**	**51.05**	**[●]**	**[●]**
	Preference Shares				
1.	BTI Payments Singapore [(2)]	2,469,136	50.00	[●]	[●]
	Total	**2,469,136**	**50.00**		

(1) *Including 2 Equity Shares held by David Scott Glen, our individual Promoter, and 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominees of The Banktech Group.*

(2) *2,469,136 CCPS shall be converted into 6,965,507 Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance Regulation 5(2) of the SEBI ICDR Regulations.*

(a) Build-up of our Promoters' shareholding in our Company

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the table below.

Date of allotment / Transfer	Nature of allotment / acquisition/ transfer	No. of equity shares	Nature of consideration	Face value per equity share (₹)	Issue / purchase price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
David Scott Glen							
March 30 2007	Initial subscription to the Memorandum of Association	1	Cash	10	10	*Negligible*	[●]
June 26, 2013	Transfer to The Banktech Group	(1)	Cash	10	10	*Negligible*	[●]
August 6, 2021	Transfer from The Banktech Group(1) (3)	1	Cash	10	10	*Negligible*	[●]
August 13, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on August 13, 2021, our Company has sub-divided its equity shares, such that 9,248,817 equity shares of ₹ 10 each aggregating to ₹ 92,488,170 were sub-divided as 18,497,634 Equity Shares of ₹ 5 each aggregating to ₹ 92,488,170.						
(A) Sub-Total		2**(1)**				*Negligible*	-
The Banktech Group							
March 30 2007	Initial subscription to the Memorandum of Association	9999	Cash	10	10	0.11	[●]
August 20, 2008	Further Issue	99,505	Cash	10	100	1.08	[●]
January 5, 2009	Further Issue	28,990	Cash	10	100	0.31	[●]
March 31, 2009	Further Issue	15,910	Cash	10	100	0.17	[●]
August 24, 2009	Further Issue	99,450	Cash	10	100	1.08	[●]
December 10, 2009	Further Issue	28,585	Cash	10	100	0.31	[●]
April 24, 2010	Further Issue	23,612	Cash	10	100	0.26	[●]
March 10, 2011	Further Issue	69,693	Cash	10	100	0.75	[●]
November 5, 2011	Further Issue	144,575	Cash	10	50	1.56	[●]
February 29, 2012	Further Issue	52,017	Cash	10	100	0.56	[●]
March 19, 2012	Further Issue	258,709	Cash	10	100	2.80	[●]
September 29, 2012	Further Issue	183,514	Cash	10	150	1.98	[●]
November 23, 2012	Further Issue	157,911	Cash	10	150	1.71	[●]
December 31, 2012	Further Issue	185,817	Cash	10	150	2.01	[●]
February 19, 2013	Further Issue	39,423	Cash	10	150	0.43	[●]
June 10, 2013	Further Issue	46,704	Cash	10	150	0.50	[●]
June 26, 2013	Transfer from David Scott Glen	1	Cash	10	10	*Negligible*	[●]
June 26, 2013	Further Issue	2,018,181	Cash	10	220	21.82	[●]
August 6, 2021	Transfer to David Scott Glen(3)	(1)	Cash	10	10	*Negligible*	[●]
August 6, 2021	Transfer to Peter Alexander Blackett(3)	(1)	Cash	10	10	*Negligible*	[●]

Date of allotment / Transfer	Nature of allotment / acquisition/ transfer	No. of equity shares	Nature of consideration	Face value per equity share (₹)	Issue / purchase price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
August 13, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on August 13, 2021, our Company has sub-divided its equity shares, such that 9,248,817 equity shares of ₹ 10 each aggregating to ₹ 92,488,170 were sub-divided as 18,497,634 Equity Shares of ₹ 5 each aggregating to ₹ 92,488,170.						
(B) Sub-Total		6,925,192[(2)]				37.44	[●]
BTI Payments Singapore							
October 12, 2015	Further Issue	317,714	Cash	10	482	3.44	[●]
January 12, 2016	Rights issue	476,012	Cash	10	482	5.15	[●]
March 31, 2016	Rights issue	464,754	Cash	10	523	5.02	[●]
August 13, 2021	Pursuant to a resolution passed by the Shareholders in the EGM held on August 13, 2021, our Company has sub-divided its equity shares, such that 9,248,817 equity shares of ₹ 10 each aggregating to ₹ 92,488,170 were sub-divided as 18,497,634 Equity Shares of ₹ 5 each aggregating to ₹ 92,488,170.						
(C) Sub-Total		2,516,960				13.61	[●]
Grand Total (A + B + C)		9,442,152				51.05	[●]

(1) *Held on behalf of and as nominee of The Banktech Group*
(2) *Including 2 Equity Shares held by David Scott Glen, our individual Promoter, and 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominees of The Banktech Group.*
(3) *Transfer of legal interest and not beneficial interest as nominee of The Banktech Group*

The build-up of the preference shareholding of our Promoters since incorporation of our Company is set forth in the table below.

Date of allotment / Transfer	Nature of allotment / acquisition	No. of preference shares	Nature of consideration	Face value per preference share (₹)	Issue / purchase price per preference share (₹)
BTI Payments Singapore					
Promoter CCPS					
December 15, 2016	Preferential Allotment	123,580	Cash	10	405
March 30, 2017	Preferential Allotment	295,703	Cash	10	405
July 4, 2017	Preferential Allotment	432,098	Cash	10	405
August 9, 2017	Preferential Allotment	160,493	Cash	10	405
September 18, 2017	Preferential Allotment	148,148	Cash	10	405
October 30, 2017	Preferential Allotment	86,419	Cash	10	405
(A) Sub-Total		**1,246,441**			
2019 CCPS					
August 20, 2019	Preferential Allotment	123,457	Cash	10	405
January 21, 2021	Preferential Allotment	692,469	Cash	10	405
February 15, 2021	Preferential Allotment	406,769	Cash	10	405
(B) Sub-Total		**1,222,695**			
Grand Total (A + B)		**2,469,136***			

* *2,469,136 CCPS shall be converted into 6,965,507 Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance Regulation 5(2) of the SEBI ICDR Regulations.*

All the Equity Shares and CCPS held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares and CCPS. As of the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are subject to any pledge.

(b) Equity shareholding of our Promoter Group (other than our Promoters) and directors of our corporate Promoters

None of the members of the Promoter Group (other than our Promoters) or directors of our corporate Promoters (other than David Scott Glen, our individual Promoter, who holds 2 Equity Shares as a nominee of The Banktech Group) hold any Equity Shares as of the date of this Draft Red Herring Prospectus.

(c) ***Details of Promoter's contribution lock-in***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters (assuming full conversion of the Promoter CCPS and 2019 CCPS and vested options, if any, under the ESOP Plan), shall be locked in for a period of 18 months as minimum Promoter's contribution from the date of Allotment and the shareholding of the Promoters in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

Details of the Equity Shares to be locked-in for 18 months from the date of Allotment as minimum Promoter's contribution are set forth in the table below*.

Name of Promoter	Number of Equity Shares locked-in	Date of allotment/transfer of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Offer/ Acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)
The Banktech Group	[●]	[●]	[●]	[●]	[●]	[●]	[●]
BTI Payments Singapore	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total							

**To be updated prior to filing of the Prospectus with the RoC*

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

For details on the build – up of the Equity Share capital held by our Promoters, see "***- History of the share capital held by our Promoters - Build-up of our Promoters' shareholding in our Company***" on page 82.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash, and revaluation of assets or capitalisation of intangible assets; or (b) have resulted from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;

(ii) The Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Company has not been formed by conversion of one or more partnership firms or a limited liability partnership firm; and

(iv) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge with any creditor.

9. ***Other Lock-in requirements***

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters locked in for 18 months as specified above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment except for (i) the Equity Shares which may be Allotted to the employees under the ESOP Plan pursuant to exercise of options held by such employees (whether currently employees or not); (ii) the Equity Shares sold/ Allotted pursuant to the Offer; and (iii) equity shares held by a venture capital fund or alternative investment fund of category

I or Category II or a foreign venture capital investor. However, such equity shares shall be locked-in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor. Accordingly, the Equity Shares held by India Advantage Fund S3 I and India Advantage Fund S4 I are not required to be locked-in since these funds are a venture capital fund and a Category II alternative investment fund, respectively, registered with SEBI. Any unsubscribed portion of the Equity Shares being offered by the Selling Shareholders in the Offer for Sale would also be locked-in as required under the SEBI ICDR Regulations, as applicable;

(ii) Our Promoters have, severally and not jointly, agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iii) Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment. The Equity Shares held by any person other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

(iv) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

a. With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

b. With respect to the Equity Shares locked-in as Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

(v) However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(vi) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations. Further, the Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months from the date of allotment, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations, as applicable.

10. Our shareholding pattern

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights: Class eg: Equity Shares	Class eg: Others	Total	Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoters and Promoter Group*	4	9,442,152	-	-	9,442,152	51.05	9,442,152	-	9,442,152	51.05	6,965,507	50.60	-	-	-	-	9,442,152
(B)	Public	3	9,055,482	-	-	9,055,482	48.95	9,055,482	-	9,055,482	48.95	6,965,169	49.40	-	-	-	-	9,055,482
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**7**	**18,497,634**	**-**	**-**	**18,497,634**	**100.00**	**18,497,634**	**-**	**18,497,634**	**100.00**	**13,930,676**	**100.00**	**-**	**-**	**-**	**-**	**18,497,634**

As adjusted for the sub-division of Equity Shares on August 13, 2021

**includes 2 Equity Shares held by David Scott Glen, our individual Promoter, and 2 Equity Shares held by Peter Alexander Blackett, on behalf of and as nominee of The Banktech Group*

11. The BRLMs and their respective associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The BRLMs and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

12. **Shareholding of our Directors and Key Managerial Personnel in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company:

S. No.	Name of the Shareholder	Pre-Offer	
		Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	David Scott Glen	2(1)	*Negligible*
2.	Peter Alexander Blackett	2(1)	*Negligible*

(1) *2 Equity Shares held by David Scott Glen, our individual Promoter, and 2 Equity Shares held by Peter Alexander Blackett, on behalf of and as nominee of The Banktech Group*

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

(a) As on the date of this Draft Red Herring Prospectus, our Company has seven Equity shareholders and three CCPS shareholders.

(b) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as on date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of Equity Shares(1)	Percentage of equity share capital (%)	Number of Equity Shares on a fully diluted basis(1)(3)(4)	Percentage of equity share capital on a fully diluted basis (%)
1.	The Banktech Group(2)	6,925,192	37.44%	6,925,192	21.36%
2.	BTI Payments Singapore	2,516,960	13.61%	9,482,467	29.24%
3.	India Advantage Fund S3 I	9,055,144	48.95%	9,055,144	27.92%
4.	India Advantage Fund S4 I	310	*Negligible*	6,408,266	19.76%
5.	Dynamic India Fund S4 US I	28	*Negligible*	557,241	1.72%
	Total	18,497,634	100%	32,428,310	100%

(1) *As adjusted for the sub-division of the face value of the Equity Shares from ₹ 10 each to ₹ 5 on August 13, 2021*
(2) *Including 2 Equity Shares held by David Scott Glen, our individual Promoter, and 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominee of The Banktech Group*
(3) *Excluding grants made under ESOP Plan*
(4) *Includes 13,930,676 Equity shares to be issued pursuant to conversion of 4,938,152 CCPS which shall be converted into Equity Shares prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations.*

(c) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of Equity Shares(1)	Percentage of Equity Share capital (%)	Number of Equity Shares on a fully diluted basis(1)(3)(4)	Percentage of equity share capital on a fully diluted basis (%)
1.	The Banktech Group(2)	6,925,192	37.44%	6,925,192	21.36%
2.	BTI Payments Singapore	2,516,960	13.61%	9,482,467	29.24%
3.	India Advantage Fund S3 I	9,055,144	48.95%	9,055,144	27.92%
4.	India Advantage Fund S4 I	310	*Negligible*	6,408,266	19.76%
5.	Dynamic India Fund S4 US I	28	*Negligible*	557,241	1.72%
	Total	18,497,634	100%	32,428,310	100%

(1) *As adjusted for the sub-division of the face value of the Equity Shares from ₹ 10 each to ₹ 5 on August 13, 2021.*
(2) *Including 2 Equity Shares held by David Scott Glen, our individual Promoter, and 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominee of The Banktech Group.*
(3) *Excluding grants made under ESOP Plan.*

(4) Includes 13,930,676 Equity shares to be issued pursuant to conversion of 4,938,152 CCPS which shall be converted into Equity Shares prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations

(d) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of equity shares of face value of ₹ 10 each	Percentage of equity share capital (%)	Number of equity shares on a fully diluted basis	Percentage of equity share capital on a fully diluted basis (%)
1.	The Banktech Group	3,462,596	37.44%	3,462,596	23.61%
2.	BTI Payments Singapore	1,258,480	13.61%	3,190,742	21.76%
3.	India Advantage Fund S3 I	4,527,572	48.95%	4,527,572	30.88%
4.	India Advantage Fund S4 I	-	-	3,204,133	21.85%
5.	Dynamic India Fund S4 US I	-	-	278,620	1.90%
	Total	9,248,648	100%	14,663,663	100%

(e) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer			
		Number of equity shares of face value of ₹ 10 each	Percentage of equity share capital (%)	Number of equity shares on a fully diluted basis	Percentage of equity share capital on a fully diluted basis (%)
1.	The Banktech Group	3,462,596	37.44%	3,462,596	23.61%
2.	BTI Payments Singapore	1,258,480	13.61%	3,190,742	21.76%
3.	India Advantage Fund S3 I	4,527,572	48.95%	4,527,572	30.88%
4.	India Advantage Fund S4 I	-	-	3,204,133	21.85%
5.	Dynamic India Fund S4 US I	-	-	278,620	1.90%
	Total	9,248,648	100%	14,663,663	100%

14. **Employee Stock Option Scheme**

Pursuant to resolution of our Board of Directors and Shareholders' each dated August 26, 2021, our Company has instituted the INDIA1 Employee Stock Option Plan 2021 ("**ESOP Plan**") which became effective from August 26, 2021 and continues to be in force as on the date of this Draft Red Herring Prospectus. The ESOP Plan is in compliance with the SEBI SBEB Regulations. As on the date of this Draft Red Herring Prospectus, under the ESOP Plan, 4,355,946 options have been granted and none of these options have been exercised.

Pursuant to the ESOP Plan, options to acquire Equity Shares may be granted to eligible "employees", criteria of which may be decided by the Board or the Nomination and Remuneration Committee at its sole discretion, but not limited to (i) date of joining with the Company as an employee; (ii) grade of the employee; (iii) performance evaluation; and (iv) period of service with the Company. The ESOP Plan is compliant with the SEBI SBEB Regulations. The ESOP Plan contemplates that based on the eligibility criteria set out thereunder, eligible employees will be granted options under schemes notified under the ESOP Plan. Pursuant to the ESOP Plan, our employees have been granted options under the ESOP Scheme.

The following table sets forth the particulars of the ESOP Plan, including options granted as on the date of this Draft Red Herring Prospectus:

Particulars	Details
	For the period 1 April 2021 till the date of this Draft Red Herring Prospectus
Total options outstanding as at the beginning of the period	Nil
Total options granted	4,355,946
Vesting period	1 year
Exercise price of options in ₹ (as on the date of grant options)	150

Particulars	Details			
	For the period 1 April 2021 till the date of this Draft Red Herring Prospectus			
Options forfeited/ lapsed/ cancelled	NIL			
Variation of terms of options on account of share-split	NIL			
Money realized by exercise of options in ₹	NIL			
Total number of options outstanding in force	4,355,946			
Total options vested (excluding the options that have been exercised)	NIL			
Options exercised (since implementation of the ESOP Plan)	NIL			
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	NIL			
Employee wise details of options granted to:				
	Number of options granted	**No. of Options lapsed / cancelled**	**No. of Options Exercised**	**No. of options outstanding**
(i) Key managerial personnel				
K Srinivas	1,550,478	NIL	NIL	1,550,478
Sanjay Bajaj	505,168	NIL	NIL	505,168
Mohit Nagar	2,000	NIL	NIL	2,000
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year				
Rajeev Desai	765,489	NIL	NIL	765,489
R. Kumara Krishnan	484,793	NIL	NIL	484,793
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant				
K Srinivas	1,550,478	NIL	NIL	1,550,478
Sanjay Bajaj	505,168	NIL	NIL	505,168
Rajeev Desai	765,489	NIL	NIL	765,489
R. Kumara Krishnan	484,793	NIL	NIL	484,793
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with the applicable accounting standard on 'Earnings Per Share'	Not Applicable			
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per share of our Company	Not Applicable			
Method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the fair value of option at the time of grant of option	Black-Scholes-option pricing Model* Risk free interest rate =5.70% Expected tenure = 5 Years Expected volatility = 43.30% Fair value of option =62.60			
Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the SEBI SBEB Regulations had been followed, in respect of options granted in the last three years	Not Applicable			

Particulars	Details
	For the period 1 April 2021 till the date of this Draft Red Herring Prospectus
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Not Applicable
Intention to sell Equity Shares arising out of the ESOP Plan within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP Plan, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not Applicable

***** *Method and significant assumption is based on valuation report issued by Ernst & Young Merchant Banking Services LLP dated August 25, 2021*

15. Further, except as disclosed in *"**- Build-up of our Promoters' shareholding in our Company**"* above for sale and purchase of Equity Shares of our Company by our Promoters, none of our Promoters, members of the Promoter Group, directors of our corporate Promoters, our Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Draft Red Herring Prospectus.

16. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, the directors of our corporate Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

17. All the Equity Shares held by our Promoters are held in dematerialized form as on the date of this Draft Red Herring Prospectus.

18. Our Company, our Directors and the BRLMs have not entered into any buy-back or other arrangements for purchase of Equity Shares of our Company.

19. No person connected with the Offer, including our Company, the members of the Syndicate, our Directors, our Promoters or members of our Promoter Group shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

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

21. Except for outstanding options granted pursuant to the ESOP Plan, the Promoter CCPS and the 2019 CCPS, our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

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

23. Except for (i) issuance of Equity Shares pursuant to exercise of options granted under the ESOP Plan and (ii) allotment of Equity Shares pursuant to the Fresh Issue, our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or by issue of bonus or rights or further public issue of Equity Shares. However, if our Company enters into acquisitions, joint ventures or other arrangements, our

Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

24. Up to [●] Equity Shares aggregating up to ₹ [●] million (which shall not exceed 5% of the post-Offer equity share capital of our Company) shall be reserved for allocation to Eligible Employees under the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price (net of Employee Discount, if any, as applicable for the Employee Reservation Portion). Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion. Bids by Eligible Employees can also be made in the Net Offer and such Bids shall not be treated as multiple Bids. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000.

25. Except the sale of the respective portion of Offered Shares in the Offer for Sale by the Promoter Selling Shareholders, none of our Promoters and members of our Promoter Group will submit Bids or otherwise participate in the Offer.

26. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing this Draft Red Herring Prospectus filed in relation to this Offer and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares, aggregating up to ₹ 1,500 million by our Company and an Offer for Sale of up to 10,305,180 Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholders.

Offer for Sale

Each of the Selling Shareholders will be entitled to its respective portion of the proceeds of the Offer for Sale, in proportion to their respective portion of the Offered Shares transferred by each of them in the Offer for Sale, after deducting their proportion of Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Objects of the Fresh Issue

The net proceeds of the Fresh Issue, i.e., gross proceeds of the Fresh Issue less the offer expenses apportioned to our Company ("**Net Proceeds**") are proposed to be utilised in the following manner:

1. Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company;

2. Funding capital expenditure requirements of our Company for setting up of ATMs; and

3. General corporate purposes.

(collectively, referred herein as the "**Objects**")

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities; and (ii) to undertake the activities proposed to be funded from the Net Proceeds. Further, our Company expects to receive the benefits of listing of the Equity Shares, including to enhance our visibility and our brand image among our existing and potential customers and to create a public market of our Equity Shares in India.

Net Proceeds

The details of the proceeds from the Fresh Issue are summarised in the following table:

(₹ in million)

Particulars	Estimated amount^
Gross Proceeds of the Fresh Issue	1,500
(Less) Offer related expenses in relation to the Fresh Issue(1)	[●]
Net Proceeds	[●]

To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC
^ Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

Requirement of Funds and Utilisation of Net Proceeds

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

(₹ in million)

Particulars	Amount^
Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	632.50
Funding capital expenditure requirements of our Company for setting up of ATMs	492.74
General corporate purposes(1)	[●]
Total	[●]

(1)To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds from the Fresh Issue.
^ Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

Proposed Schedule of Implementation and Deployment of Net Proceeds

The following table sets forth the details of the schedule of the expected deployment of the Net Proceeds:

(₹ in million)

Particulars	Total estimated costs	Amount to be funded from the Net Proceeds	Estimated deployment	
			Fiscal 2022	Fiscal 2023
Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	NA	632.50	400.00	232.50
Funding capital expenditure requirements of our Company for setting up of ATMs	492.74	492.74	164.08	328.66
General corporate purposes(1)	NA	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]

(1) *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The aggregate amount to be utilised for general corporate purposes shall not exceed 25% of the Net Proceeds from the Fresh Issue. Our Company and Selling Shareholders, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, a report from Dun & Bradstreet Information Services India Private Limited dated September 3, 2021 ("**D&B Report**") and other commercial and technical factors. These fund requirements have not been verified by or appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. In the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management. For further details, see "***Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net Proceeds*** " on page 47.

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds, our management may explore a range of options including utilising our internal accruals or seeking additional equity and / or debt arrangements from existing and future lenders. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

Details of utilisation of the Net Proceeds

1. Repayment and/or pre-payment of certain borrowings, in full or part, availed by our Company

Our Company has entered into various financial arrangements from time to time, with banks and financial institutions. The loan facilities entered into by our Company include borrowing in the form of, *inter alia,* term loans and working capital facilities. For further details, see "***Financial Indebtedness***" on page 267. As at June 30, 2021 our total outstanding borrowings amounted to ₹9,353.65 million. Our Company proposes to utilise an estimated amount of ₹632.50 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Our Company may avail further loans and/ or draw down further funds under existing loans from time to time.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of our existing borrowings prior to Allotment or avail of additional credit facilities. If at the time of Allotment, any of the below mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then our Company may utilise the Net Proceeds for part or full prepayment /

repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹ 632.50 million.

Set forth below is a list of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds. For details of the outstanding borrowings of our Company as of June 30, 2021, please see "***Financial Indebtedness***" on page 267.

Sr. No.	Name of the Lender	Nature of Borrowing	Date of the Sanction Letter / Facility Document	Purpose#	Amount Sanctioned	Amount Outstanding as at June 30, 2021(1)	Repayment Date / Schedule	Interest Rate (%)	Pre-payment penalty
					(₹ in million)				
1.	IndusInd Bank Limited	Term Loan	September 29, 2020	For the roll out of new ATMs and transactional expenses	750.00	695.54	To be repaid in 84 equal monthly instalments	9.00	2% No prepayment penalty in case prepayment is made out of equity/internal accruals, and with minimum 30 business days prior notice.
2.	Vivriti Capital Private Limited	Working Capital Facility	November 3, 2020	For working capital requirements of our Company	150.00	75.00	To be repaid in single bullet repayment at the expiry of tenor or upon demand, whichever is earlier.	13.00	-
3.	SBM Bank (India) Limited	Working Capital Facility	January 20, 2021	For working capital requirements of our Company	400.00	299.88	To be repaid on demand Prepayment can be made with a clear 15 days' notice and consent of SBM Bank (India) Limited	8.75	No prepayment penalty in case prepayment is made with minimum 15 business days prior notice. A forclosure amount becomes payable upon acceptence of such notice, which amount shall be as decided by the ledner from time to time, will, on the outstandi

Sr. No.	Name of the Lender	Nature of Borrowin g	Date of the Sanction Letter / Facility Document	Purpose#	Amount Sanctioned	Amount Outstanding as at June 30, 2021(1)	Repayment Date / Schedule	Interest Rate (%)	Pre-payment penalty
					(₹ in million)				
									ng principle
Total amount sanctioned as on June 30, 2021 for the loans proposed to be repaid									**1,300.00**
Total amount outstanding as on June 30, 2021									**1,070.42**

(1) As certified by the Statutory Auditors of our Company, Walker Chandiok & Co LLP, Chartered Accountants, pursuant to their certificate dated September 7, 2021

 # As per the certificate dated September 7, 2021 issued by the Statutory Auditors of our Company, Walker Chandiok & Co LLP, Chartered Accountants, the facilities have been utilised for the purposes for which they were sanctioned.

Certain of our financing facilities provide for the levy of prepayment penalties. Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding loan amounts may vary from time to time. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing agreements, such prepayment penalties shall be paid by our Company out of Net Proceeds. We will take such provisions also into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds. In case we are unable to raise the Offer Proceeds till the due date for repayment of any of the above mentioned portion of the loans, the funds earmarked for such repayment may be utilised for payment of future instalments of the above mentioned loan or other loan for an amount not more than the amount mentioned above.

For the purposes of the Offer, our Company has intimated and has obtained necessary consent from its lenders, as is respectively required under the relevant facility documentation for undertaking activities relation to this Offer including consequent actions, such as change in the capital structure, change in shareholding pattern of our Company, change in management, amendment to the Articles of Association of our Company, etc; except that (i) consents from State Bank of India and Bank of Baroda in connection with the Offer have not been received by our Company, as on the date of this Draft Red Herring Prospectus, and (ii) while our Company has received consent from Kotak Mahindra Bank Limited in connection with the Offer, such consent is subject to receipt of similar no-objection from all other creditors and lenders. For further details, see "***Risk Factors – An inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating***" on page 42.

2. Funding capital expenditure requirements of our Company for setting up of ATMs

As of June 30, 2021, we operated a network of 8,520 ATMs across 14 states and union territories in India. Our ATM business is focused on semi urban regions (population between 10,000 and 100,000) and rural regions (population under 10,000) in India (together the "SURU regions"), where 7,619 ATMs (89.43% of our ATMs) were located as of June 30, 2021. Our ATM network has been expanding and increased from 5,042 ATMs as on March 31, 2019 to 8,022 ATMs as on March 31, 2021. In line with our strategies, we intend to continue expansion of our ATM network in SURU regions. For further details, see *"**Business – Our strategies***" on page 161. We propose to utilise a portion of the Net Proceeds of the Offer, i.e. ₹492.74 million towards the capital expenditure requirements of our Company for setting up of 1,000 ATMs in SURU regions during Fiscals 2022 and 2023 The details of estimated capital expenditure requirements of our Company for setting up of 1,000 ATMs, which are proposed to be funded from Net Proceeds are described below. The estimated capital costs include (i) purchase of 1,000 ATM machines; (ii) total implementation services ("**TIS**") and branding; (iii) uninterrupted power supply (**"UPS")** batteries and accessories; and (iv) VSAT/ SIM Card Based System. All of our ATMs are located on premises taken on a lease basis, the area and rental costs of which are not significant. The premises for the proposed new ATMs are also expected to be taken on leasehold basis in the ordinary course of our business practices and thus have not been included in the estimate of capital expenditure.

The estimate of costs with respect to above capex have been compiled by Dun & Bradstreet Information Services India Private Limited and stated in their report dated September 3, 2021 ("**D&B Report**") based on (i) quotations received from our vendors from whom our Company has purchased ATMs and other equipment in the past, current quotations, industry standards, prevailing market rates, contracts and historical costs/invoices; (ii) management estimates for specifications and item requirements based on management's prior experience of setting-up ATMs.

Our Company intends to utilise ₹492.74 million from the Net Proceeds to purchase such equipment based on our current estimates. The specific number and nature of such equipment to be procured by our Company will depend on our business requirements and the details of the equipment to be procured from the Net Proceeds will be suitably updated at the time of filing of the Red Herring Prospectus with the RoC.

Our Company has bulk supply arrangements with some of the vendors from whom we procure our equipments. However, we have not placed any orders for purchase of such equipment with respect to the proposed purchase of 1,000 ATMs. However, we may in line with our strategy to expand our ATM network and the RBI requirement to open at least 1,000 new ATMs each calendar year, continue setting up ATMs on an ongoing basis and the place orders for equipment necessary for setting up such ATMs in the ordinary course of our business, which may be funded out of our internal accruals and/ or borrowings availed by our Company.

An indicative list of such equipment that we intend to purchase, along with details of the estimated cost from the report prepared by **D&B Report** have been set out below.

Sr. No.	Particulars	Total Estimated Costs* (in ₹ million)	Amount to be funded from the Net Proceeds (in ₹ million)	Date of quotation/ Confirmation	Validity of quotation
A	ATM Machine	266.00	266.00	August 5, 2021	Up to April 2023
B	Total Implementation Services and Branding	113.00	113.00	Validity varies based on independent contracts up to three years	
C	Uninterrupted Power Supply Systems (“UPS”)	72.27	72.27	August 11, 2021	Over a year
D	Very Small Aperture Terminal Systems (“VSAT”)/ SIM Card Based System	41.47	41.47	August 11, 2021	One year
	Total*	492.74	492.74		

**exclusive of all applicable taxes, duties and levies, if any*

Note 1: Quotations obtained from various local vendors including Mukherjee Enterprises, Global Infra, Diebold Nixdorf, M/s. Bismi Trichy Advertising Agency, NCR Corporation India Private Limited, Prostar M Info Systems, Microtek Direct, Hughes Communications India Private Limited and Nelco Limited..

A. *ATM Machine*

Our Company is in the process of setting up 1,000 ATMs across SURU regions, to be funded from the Net Proceeds. For this purpose, we propose to purchase new ATM machines that are touch screen with software installed.

B. *Total Implementation Services and Branding*

Total implementation services in relation to an ATM machine includes the civil works associated, with the configurations including bunker, porta cabin, portable porta cabin, kiosk and shop in shop model. This includes works like vitrified tiling, false ceiling works, main door, electrical DB, cabling for signage etc. Further, the entire TIS work is further classified as (i) moveable and (ii) non-moveable TIS work, based on reusability of asset installed. Branding includes the cost of printing and supply of the branding sticker for walls, doors and cost of machine wraps etc. Apart from the above, the cost of travelling, boarding, lodging and miscellaneous consumable items are also considered. We will be incurring expenditure towards such TIS and Branding services to support our ATM machines. The break-up of estimated cost towards TIS and branding work has been summarized below:

Description	Unit Rate (₹)*	Total Estimated Costs (in ₹ million)*
Moveable TIS	78,368	78.37
Non-moveable TIS	15,700	15.70
Branding	12,500	12.50
Preliminary and Pre-operatives	6,432	6.43
Total	**113,000**	**113.00**

**exclusive of all applicable taxes, duties and levies, if any*

(i) Moveable TIS - The estimates of costs for moveable TIS includes costs pertaining to false ceiling, fixed glazing, main door, partition, air louvers, fire extinguisher, dustbin, soft board, electrical DB, light fixture, VSAT cable laying & conduiting, shutter stopper, power point / socket, cable for signage, chemical earthing, main cabling, exhaust fan, electrician visit, signage and totem pole.

(ii) Non - Moveable TIS - The estimates of costs for non-moveable TIS includes costs pertaining to flooring (vitrified tiles), shutter painting, pillar branding, backroom painting, lobby painting, ATM grouting and shelf.

(iii) Branding includes the cost of printing and supply of the branding sticker for walls, doors and cost of machine wraps etc.

(iv) Preliminary and pre-operatives include the cost of travelling, boarding, lodging and miscellaneous consumable items.

C. *UPS Batteries and Accessories*

Our Company provides 1 KVA and 2 KVA UPS systems along with ATM machine installation. We also install AH batteries as part of the UPS system, to operate our proposed ATM machines. 2 KVA UPS System would have 6 X 120 AH batteries, while 1 KVA UPS system would have 3 X 120 AH batteries. The estimated cost of both systems i.e. 1 KVA and 2 KVA, including AH battery, spares and components, KVA servo stabilizer and cage for batteries have been considered while estimating the cost for UPS.

D. *VSAT/ SIM Card Based Systems*

We also intend to set up a VSAT system including hardware, software, along with accessories and sim card etc. for each ATM unit. Further, the Company also utilizes SIM card based system as an alternative to VSAT, at some of its sites on account of connectivity issues. The entire VSAT/ SIM Card Based system includes the hardware cost, installation and commissioning charges, VSAT standing advisory committee for frequency allocation ("**SACFA**")**,** cost of bandwidth/ sim system purchase etc.

Description	**Unit Rate (₹)***			**Total Estimated Costs (in ₹ million)***
	VSAT	**SIM card based systems**	**Estimated Cost****	
VSAT/ Hardware Cost	31,800	22,500	29,475	29.47
VSAT Installation and Commissioning/ Site Survey Cost	2,500	770	2,067	2.07
VSAT SACFA Cost	1,200	NIL	900	0.90
Bandwith Purchase Cost	8,700	10,000	9,025	9.03
Total	**44,200**	**33,270**	**41,467**	**41.47**

**exclusive of all applicable taxes, duties and levies, if any*

*** Weighted Average cost based on implementation under VSAT for 75% sites and implementation of SIM Card Based Systems for 25% sites.*

The quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, since we have not yet placed any orders with the vendors in connection with the capital expenditure required by our Company for setting up ATMs, funded through the Net Proceeds, there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. If there is any increase in the costs of equipment, such additional costs shall be funded from the Net Proceeds proposed to be utilised towards the purchase of equipment or through contingencies, if required. The quantity of equipment to be purchased is based on the present estimates of our management.

Our Company will not purchase any second hand equipment as part of the above stated spend on capital expenditure.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed purchase of equipment or in the entity from which we have obtained the quotations in relation to such proposed purchase of equipment.

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating up to ₹[●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to, (i) strategic initiatives; (ii) funding growth opportunities; (iii) strengthening marketing capabilities and brand building exercises; (iv) meeting ongoing general corporate exigencies and contingencies; (v) capital expenditure; (vi) providing security deposits and cash collaterals; (vii) expenses of our Company; and (viii) any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any.

Means of Finance

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million.

The Offer related expenses primarily include fees payable to the BRLMs and legal counsels, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All Offer expenses will be shared, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholders in the Offer for Sale, respectively, as may be mutually agreed amongst them and in accordance with applicable law. Any expenses paid by our Company on behalf of the Selling Shareholders in the first instance will be reimbursed to our Company, by the Selling Shareholders to the extent of their respective proportion of the Offer related expenses. However, if the Offer is withdrawn or not completed for any reason whatsoever, all Offer related expenses will be borne by our Company. The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

The estimated Offer related expenses are as follows:

(₹ in million)

S. No	Activity	Estimated amount[(1)]	As a % of total estimated Offer Expenses[(1)]	As a % of Offer Size[(1)]
1.	BRLMs fees and commissions (including underwriting commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs [(2)(3)(4)(5)(6)]	[●]	[●]	[●]
3.	Advertising and marketing expenses for the Offer	[●]	[●]	[●]
4.	Other expenses	[●]	[●]	[●]
	(i) Listing fees, SEBI filing fees, BSE and NSE processing fees, book building software fees,			
	(ii) Other regulatory expenses,	[●]	[●]	[●]
	(iii) Printing and stationery expenses	[●]	[●]	[●]
	(iv) Fees payable to the legal counsel			
	(v) Fees payable to other advisors to the Offer			
	(vi) Miscellaneous			
	Total Estimated Offer Expenses	[●]	[●]	[●]

(1) Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price

(2) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the SCSBs, would be as follows:

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

(3) Processing fees payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Investors	*₹[●] per valid application (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹[●] per valid application (plus applicable taxes)*

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

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

**For each valid application*

(5) Selling commission on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Investors	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Investors	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

(6) Bidding charges of ₹ [●] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured and bid by them.

(7) Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and, Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes).

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member. The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

In addition to the selling commission referred to above, any additional amount(s) to be paid by our Company and Selling Shareholders shall be as mutually agreed amongst the Book Running Lead Managers, their respective Syndicate Members, our Company and Selling Shareholders before the opening of the Issue.

Monitoring of Utilisation of Funds

The Monitoring Agency shall be appointed for monitoring the utilisation of Net Proceeds prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such Financial Years as required under applicable law, specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Financial Years, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended in accordance with the SEBI ICDR Regulations and as may be approved by our Board or any duly constituted committee thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities, including through secured or unsecured loans or any short-term instrument like non-convertible debentures, commercial papers etc. pending receipt of the Net Proceeds.

Appraising Entity

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

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to any of our Promoters, members of the Promoter Group, our Directors, or our Key Managerial Personnel.

Our Company has not entered into and is not planning to enter into any arrangement/ agreements with our Promoters, Directors, or Key Managerial Personnel in relation to the utilisation of the Net Proceeds. Further, there are no existing or anticipated interest of such individuals and entities in the objects of the Offer.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act, 2013. Such notice shall simultaneously be published in the newspapers, one in English daily newspaper with wide circulation, one in Hindi national daily newspaper with wide circulation and one in Kannada, the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal, to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of proving of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

BASIS FOR OFFER PRICE

The Price Band will be determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, and the Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should refer to "***Risk Factors***", "***Business***", "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 23, 153, 209, 270, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Focused presence in under-banked semi-urban and rural areas
- Largest white label ATM operator with growing ATM network
- ATM operating model enriching the local customer experience and yielding higher customer availability
- Favourable regulatory environment
- Growing profitability and cash flows through focus on unit economics and active cost management
- Experienced management team with the support of The Banktech Group

For further details, see "***Business – Our Competitive Strengths***" on page 158, respectively.

Quantitative factors

Some of the information presented in this section relating to our Company is derived from the Restated Financial Statements. For details, see "***Financial Statements***" beginning on page 209.

Some of the quantitative factors, which may form the basis for computing the Offer Price, are as follows:

1. Basic and Diluted Earnings Per Equity Share ("EPS")[(1)(2)], as per Restated Financial Statement

Financial Period	**Basic EPS (in ₹)**	**Diluted EPS (in ₹)**	**Weightage**
Financial Year ended March 31, 2021	1.80	1.12	3
Financial Year ended March 31, 2020	(3.17)	(3.17)	2
Financial Year ended March 31, 2019	(13.07)	(13.07)	1
Weighted Average	(2.34)	(2.68)	

(1) Basic EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/period.

(2) Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/period as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year/period.

Notes

1. *Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'.*
2. *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.*
3. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]*
4. *The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each, pursuant to our Board and Shareholders' resolution passed on 13 August 2021 which resulted into increase in number of equity shares issued from 9,248,648 to 18,497,296. Similarly the impact on potential shares for conversion of CCPS has increased from 6,965,508 to 13,931,016. The record date for the aforementioned sub-division was 13 August 2021. In compliance with IND AS 33 "Earnings per share", the disclosure of earnings per share for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 has*

been arrived at after giving effect to the above sub-division.

5. *The potential shares for conversion of CCPS are decreasing loss per share for the year ended 31 March 2020 and 31 March 2019 and hence treated as anti-dilutive. The effect of anti-dilutive potential shares for conversion of CCPS are ignored for calculating dilutive loss per share.*

6. *The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the section titled "**Financial Statements**" on page 209.*

2. *Price to Earning ("P/E") Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share*

Particulars	P/E ratio at the lower end of the Price Band (number of times)*	P/E ratio at the higher end of the Price Band (number of times)*
Based on Basic EPS for the financial year ended March 31, 2021	[●]	[●]
Based on Diluted EPS for the financial year ended March 31, 2021	[●]	[●]

**will be populated in the Prospectus*

Industry Peer Group P/E ratio

Particulars	Face value of equity shares (in ₹)
Highest	N/A
Lowest	N/A
Industry Composite	N/A

3. *Return on Net Worth (RoNW)*

Financial Period	RoNW, as derived from the Restated Financial Statements (%)	Weightage
Financial Year ended March 31, 2021	1.70%	3
Financial Year ended March 31, 2020	(3.95%)	2
Financial Year ended March 31, 2019	(48.79%)	1
Weighted Average	(8.60%)	

(1) *Return on Net Worth (%) = Net profit/ loss after tax attributable to the owners of the Company, as restated divided by Net worth as restated as at year end*

(2) *Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and excluding non-controlling interests as per Restated Statement of Assets and Liabilities of the Company. (Share Capital includes Equity share capital and CCPS i.e instruments entirely equity in nature)*

4. *Net Asset Value per Equity Share*

Fiscal/ Period Ended	NAV derived from the Restated Financial Statements (₹)
As on March 31, 2021	106.13
After the completion of the Offer*	At the Floor Price: [●] At the Cap Price: [●]
Offer Price*	[●]

**will be populated in the Prospectus. Not derived from the Restated Financial Statements.*

Notes:

(1) *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*
Net Asset Value Per Equity Share = Networth, as restated divided by weighted average number of equity shares outstanding during the period

(2) *Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and excluding non-controlling interests as per Restated Statement of Assets and Liabilities of the Company. (Share Capital includes Equity share capital and CCPS i.e instruments entirely equity in nature)*

(3) *The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each, pursuant to our Board and Shareholders' resolution passed on 13 August 2021 which resulted into increase in number of equity shares issued from 9,248,648 to 18,497,296. The record date for the aforementioned sub-division was 13 August 2021. Weighted average number of equity shares outstanding during the period has been arrived at after giving effect to the above sub-division.*

(4) *Net Asset Value per equity share represents net worth as at the end of the financial year, as restated, divided by the number of Shares outstanding (i.e. Equity Shares excluding Compulsory Convertible Preference Shares) at the end of the period/year.*

(5) *Net Asset Value as on March 31, 2021 (post conversion of outstanding 4,938,152 CCPS as of the date of this DRHP in to 13,930,676 Equity Shares) = Rs. 60.54 per share*

5. Comparison of Accounting Ratios with Listed Industry Peers

There are no listed companies in India whose business portfolio is comparable with that of our business and comparable to our scale of operations. Hence, it is not possible to provide an industry comparison in relation to our Company.

The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "***Risk Factors***", "***Business***", "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 23, 153, 209, 270, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "***Risk Factors***" beginning on page 23 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
India1 Payments Limited
Units No. 801 to 810, 8th Floor,
Tower "B", Diamond District,
150, Old Airport Road,
Bengaluru – 560 008

Statement of Possible Special Tax Benefits (the 'Statement') available to India1 Payments Limited (formerly known as India1 Payments Private Limited and *BTI Payments Private Limited*) ('Company' or 'Issuer') and the shareholders of the Company prepared to comply with the requirements of the clause 9(L) of Part A of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations').

1. This report is issued in accordance with the terms of our engagement letter dated 21 August 2021.

2. The accompanying Statement of Possible Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as 'the Statement') under the direct tax laws, including Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India (hereinafter referred to as the 'Income Tax Regulations') and indirect tax laws, including the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 and the respective State Goods and Services Acts (the rules and regulations there under) as amended (hereinafter referred to as the "Indirect Tax Regulations") for inclusion in the Draft Red Herring Prospectus for the proposed initial public offering of the Company ('Offer'), has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

Management's Responsibility

3. The preparation of the Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus (the "Offer Documents") is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 03 September 2021 for the purpose set out in paragraph 10 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

4. Our work has been carried out in accordance with Standards on Auditing, the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India

5. Pursuant to the SEBI ICDR Regulations and the Companies Act 2013 ('Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and its shareholders in accordance with the Income Tax Regulations and the Indirect Tax Regulations.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.

7. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI ICDR Regulations in connection with the Offer.

Inherent Limitations

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence

the reliability of the information.

Benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

Further, we give no assurance that the Revenue Authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes**.**

Opinion

9. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits, to the Company and its shareholders in accordance with the Income Tax Regulations and the Indirect Tax Regulations as at the date of signing of this report.

Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:

(i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or

(ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

Restriction on Use

10. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the offer document, prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Amit K
Partner
Membership No.: 060995
UDIN No: 21060995AAAAAI3512
03 September 2021
Hyderabad

Statement of Possible Special Tax Benefits available to India1 Payments Limited

(formerly known as *India1 Payments Private Limited* and *BTI Payments Private Limited*) **and its Shareholders under the applicable Tax Laws in India**

A. Under Income Tax Regulations:

Outlined below are the Possible Special Direct Tax benefits available to India1 Payments Limited (formerly known as India1 Payments Private Limited and *BTI Payments Private Limited*) (the "Company") and its Shareholders under the direct tax laws, including Income-tax Act, 1961 ("Act") (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

I. Special direct tax benefits available to the Company

- As per section 115BAA of the Act, the Company has an option to pay income tax in respect of its total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2019- 20 (i.e. Assessment Year 2020-21). Such option once exercised shall apply to subsequent assessment years.

  In such a case, the Company will not be allowed to claim any of the following deductions/ exemptions under the Act:

  a) Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone) of the Act.

  b) Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation) of the Act.

  c) Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund) of the Act.

  d) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or subsection (2AB) of section 35 (Expenditure on scientific research) of the Act.

  e) Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project) of the Act.

  f) Deduction under section 35CCD (Expenditure on skill development) of the Act.

  g) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M of the Act.

  h) Deduction under Section 80LA other than deduction applicable to a Unit in the International Financial Services Centre, as referred to in sub-section (1A) of section 80LA of the Act.

  i) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause a) to h) above.

  j) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A of the Act, if such loss or depreciation is attributable to any of the deductions referred from clause a) to h) above.

  Further, it was clarified by Central Board of Direct Taxes vide Circular No. 29/ 2019 dated 2 October 2019 that if the company opts for concessional income tax rate under section 115BAA of the Act, the provisions of section 115JB of the Act regarding Minimum Alternate Tax (MAT) are not applicable. Additionally, such company will not be entitled to claim tax credit relating to MAT.

In this regard, from Assessment Year 2020-21 relevant to Financial Year 2019-20 onwards the Company has opted to be covered under the provisions of Section 115BAA of the Act and would be eligible for a reduced tax rate of 22% (effective rate of 25.168% along with Surcharge and Health and Education Cess) subject to fulfilment of above conditions.

- Further, as per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its income-tax return for the relevant year. If the Company has investments in India, it can avail the above-mentioned benefit under Section 80M of the Act.

- Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

- In accordance with and subject to fulfilment of conditions as laid out under Section 35D of the Act, the Company will be entitled to amortize preliminary expenditure, being expenditure incurred in connection with the issue for public subscription, under Section 35D of the Act, subject to the limit specified in section 35D(3) of the Act. The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the business commences or as the case may be, the previous year in which the extension of the undertaking is completed or the new unit commences production or operation.

II. Special direct tax benefits available to the Shareholders of the Company

- Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholder, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

- As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfillment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note, that tax shall be levied where such capital gains exceed INR 100,000.

- As per Section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the Act.

Except for the above, the shareholders of the Company are not entitled to any other special direct tax benefits under the Act.

B. Under Indirect Tax Regulations:

I. The Company does not avail any special tax benefits under the GST regime.

II. There are no special benefits available for the shareholders under the Indirect tax laws.

Note: We have not considered general tax benefits available to the Company or shareholders of the Company.

Notes:

1. These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

2. The special tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

3. The Statement has been prepared on the basis that the shares of the Company are to be listed on a recognized stock exchange in India and the Company will be issuing equity shares.

4. The Statement is prepared on the basis of information available with the management of the Company and there is no assurance that:

   i. the Company or its shareholders will continue to obtain these benefits in future;

   ii. the conditions prescribed for availing the benefits have been/ would be met with; and

   iii. the revenue authorities/courts will concur with the view expressed herein.

5. This Statement covers only certain relevant direct and indirect tax law benefits and does not cover benefit under any other law.

6. In respect of non-resident shareholders, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

7. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For and on behalf of India1 Payments Limited
(formerly known as India1 Payments Private Limited and *BTI Payments Private Limited*)

K Srinivas
Managing Director
Bengaluru
03 September 2021

SECTION IV- ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information contained in this section is derived from various industry and publicly available resources. The information also includes information available from reports or databases of CRISIL Limited ("CRISIL"). This industry report used has been exclusively prepared for the purpose of the Issue, and is commissioned and paid-for by the Company. Neither the Company, its Directors, the BRLMs nor any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry publications are also prepared on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information.

CRISIL Research, a division of CRISIL, has taken due care and caution in preparing the "ATM Industry in India", released in September 2021 (the "Report") based on the Information obtained by CRISIL from sources which it considers reliable ("Data"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. The Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of the Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Company will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of the Report may be published/reproduced in any form without CRISIL's prior written approval.

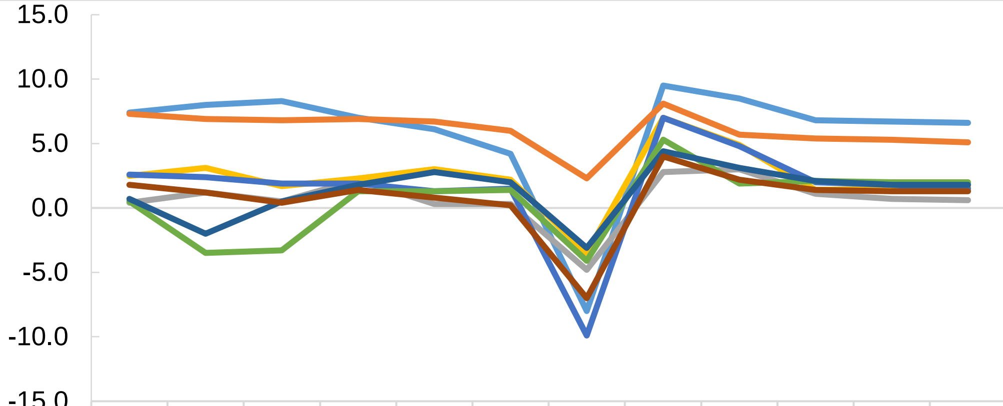
Overview of the Indian economy

Review of India's GDP growth

India was one of the fastest growing economies in the world prior to the COVID-19 pandemic, with annual growth of approximately 6.7% between calendar years 2014 and 2019. While the economic growth in calendar year 2020 contracted as a result of the economic slowdown led by the pandemic, CRISIL Research expects that the economy to rebound and India to regain its reputation as one of the fastest growing economies globally in the medium-term. Going forward, rapid urbanization, rising consumer aspiration and increasing digitization coupled with government support in the form of reforms and policies are expected to support economic growth.

In calendar year 2021, the IMF forecasts India's GDP to grow by around 9.5% in its base case scenario, assuming that COVID-19 restrictions will continue, and mobility will remain affected in some form at least until August 2021 and that 70% of the adult population will be vaccinated by December 2021. At this pace of growth, India is forecasted to be the fastest growing economy in the world in calendar year 2021. IMF also forecasts India's GDP to grow at a faster pace than other economies going forward.

India is one of the fastest-growing major economies (GDP growth, % year-on-year)



	2014	2015	2016	2017	2018	2019	2020	2021	2022 P	2023 P	2024 P	2025 P
India	7.4	8.0	8.3	7.0	6.1	4.2	-8.0	9.5	8.5	6.8	6.7	6.6
China	7.3	6.9	6.8	6.9	6.7	6.0	2.3	8.1	5.7	5.4	5.3	5.1
Japan	0.4	1.2	0.5	2.2	0.3	0.3	-4.8	2.8	3.0	1.1	0.7	0.6
United states	2.5	3.1	1.7	2.3	3.0	2.2	-3.5	7.0	4.9	1.4	1.5	1.6
United kingdom	2.6	2.4	1.9	1.9	1.3	1.5	-9.9	7.0	4.8	2.0	1.8	1.5
Brazil	0.5	-3.5	-3.3	1.3	1.3	1.4	-4.1	5.3	1.9	2.1	2.0	2.0
Russia	0.7	-2.0	0.5	1.8	2.8	2.0	-3.1	4.4	3.1	2.1	1.8	1.8
South Africa	1.8	1.2	0.4	1.4	0.8	0.2	-7.0	4.0	2.2	1.4	1.3	1.3

Note: GDP growth is based on constant prices, Data represented is for calendar years, P: Projected
Source: IMF (World Economic Outlook – July 2021 and April 2021 update), CRISIL Research

Along with being one of the fastest growing economies in the world, India ranked fifth in the world in terms of nominal GDP in calendar year 2020. In terms of purchasing power parity (PPP), India is the third largest economy in the world, only after China and the United States.

GDP Ranking of key economies across the world (2020)

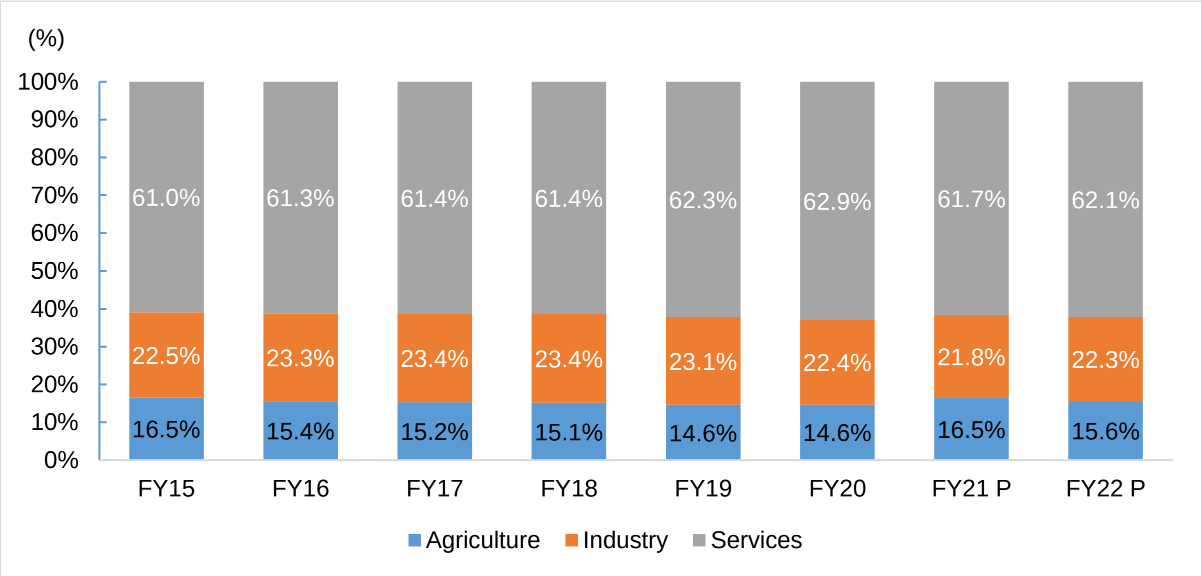
Country	GDP Rank	% share (World GDP)	PPP Rank	% share (World GDP,PPP)
United States	1	24.7%	2	15.8%
China	2	17.4%	1	18.3%
Germany	3	4.5%	4	3.4%
United Kingdom	4	3.2%	9	2.3%
India	5	3.1%	3	6.7%
France	6	3.1%	8	2.3%
Italy	7	2.2%	10	1.9%
Canada	8	1.9%	14	1.4%
Korea	9	1.9%	13	1.7%
Russia	10	1.8%	5	3.1%

Note: Japan is not considered in the key economies as data for 2020 is not available
Source: World Bank, CRISIL Research

Contribution of various sectors to GDP

As compared to various developed economies, which witnessed a good contribution from manufacturing and industry first and subsequently in services, the Indian transformation story was different. A notable feature of the Indian economy has been increasing contribution from the services sector to the overall output of the economy. Between Fiscal 2017 to Fiscal 2020, the services sector has grown at a rate of approximately 7.0%, thereby taking the contribution of the services sector from 61.4% to 62.9% in terms of Gross Value Added (GVA) at constant prices. In Fiscal 2021, overall GVA is projected to contract by approximately 6.5%, with industry sector and services sector contracting by approximately 7.4% and 8.4%, respectively.

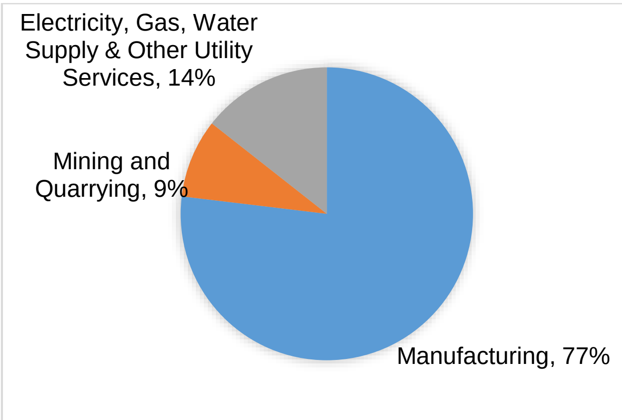
Share of sector in GVA at constant prices



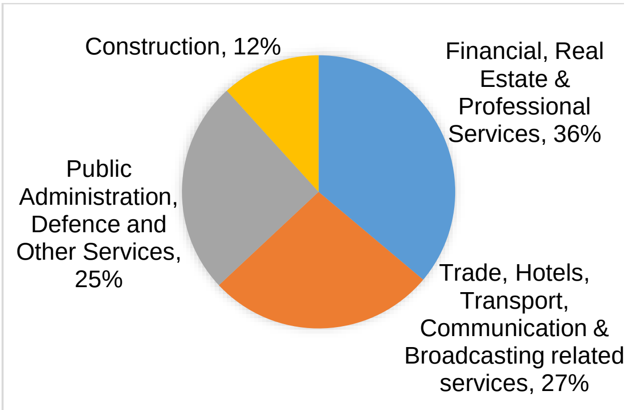
Note: P- Projected
Source: RBI; CRISIL Research

Each of the industry and services sectors can be further classified into sub-sectors. In the industry sector, the majority of the contribution derives from the manufacturing sub-sector. In the services sector, highest contribution derives from the financial, real estate and professional services sub-sectors.

Share of sub-sectors in GVA by Industry (FY21)



Share of sub-sectors in GVA by Services (FY21)

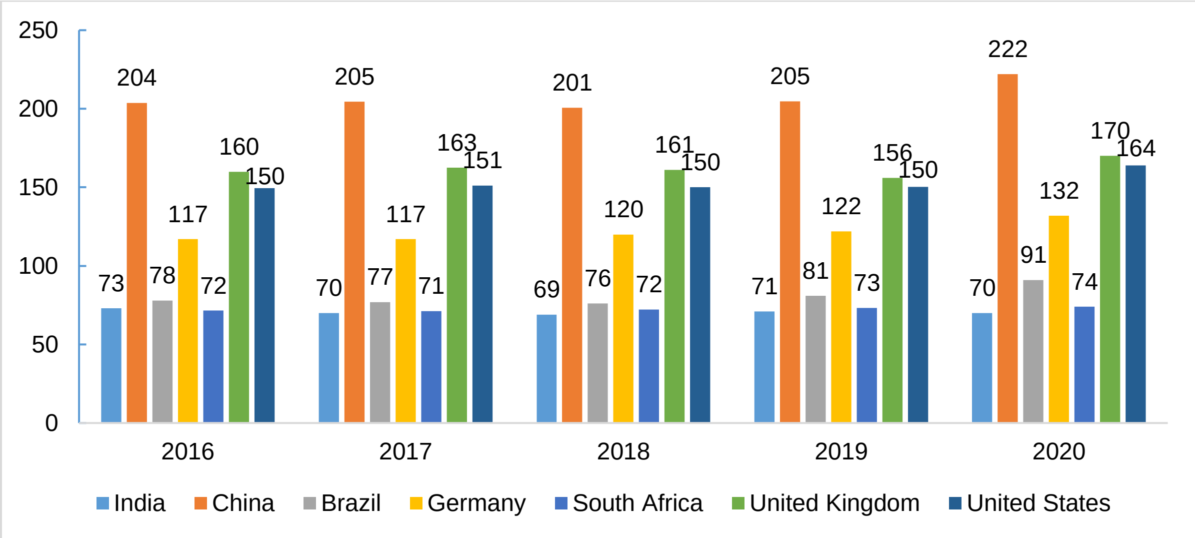


Note: Classification of sub-sectors is based on GVA at current prices
Source: RBI, CRISIL Research

Banking services penetration in India

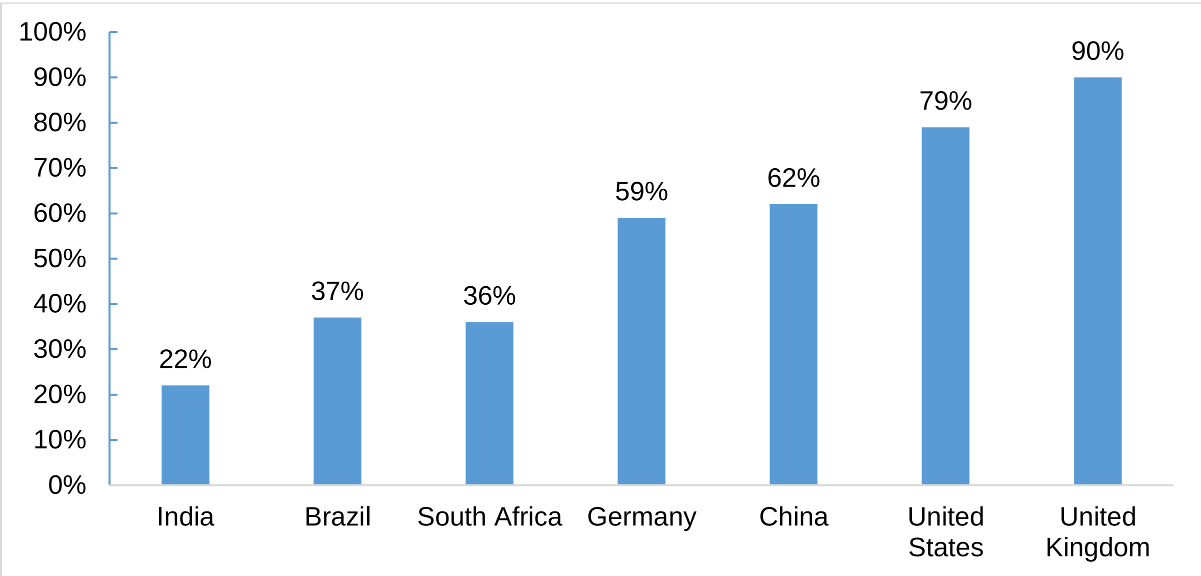
In terms of the credit to GDP ratio, India has a low credit penetration when compared to other developing countries. in terms of credit to households as a proportion of GDP, India lags behind other major economies with a 22% household credit to GDP ratio as of Fiscal 2020.

Credit to GDP ratio (%)



Note: Data is represented for calendar years for all countries except India. For India, numbers are for fiscal year
Source: Bank of International Settlements, CRISIL Research

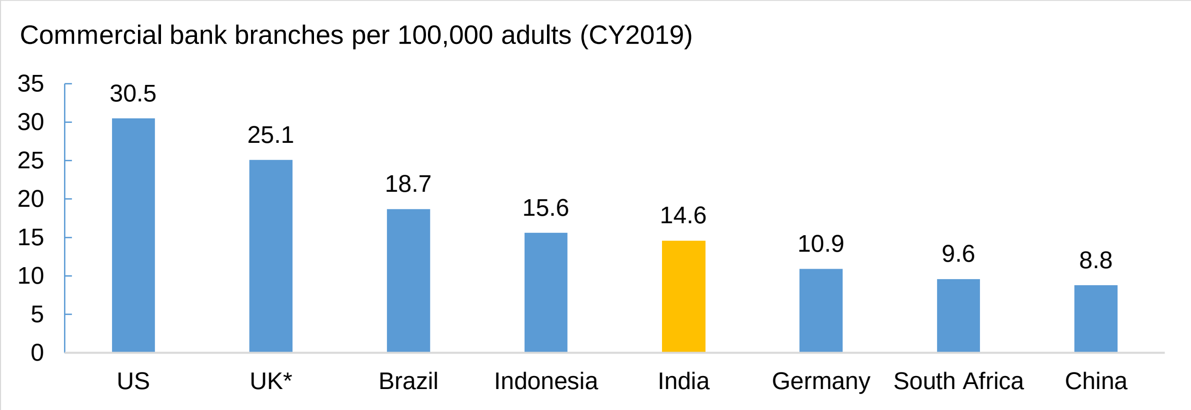
Household Credit to GDP ratio (Fiscal 2020)



Note: For countries except India, data is represented for calendar years. For India, data represented is for Fiscal 2021.
Source: Bank of International Settlements, CRISIL Research

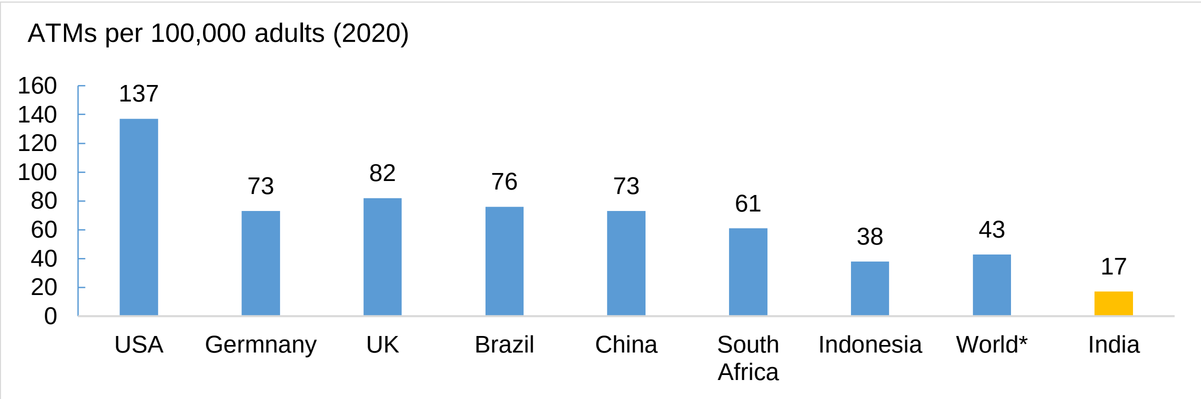
India has a lower penetration of commercial bank branches and ATMs, when compared to other major countries, indicating significant room for financial inclusion and banking services penetration. India had 14.6 branches for every 100,000 adults in calander year 2019 and 17 ATMs for every 100,000 adults in calendar 2020, in each case according to World Bank data, which is relatively lower than other developing and developed countries.

Commercial bank branch penetration across the world



Note: (*) – UK data is as of 2013 calendar year
Source: World Bank, RBI, CRISIL Research

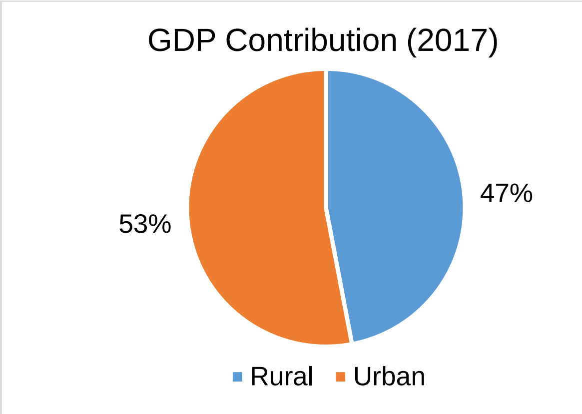
ATM penetration across the world

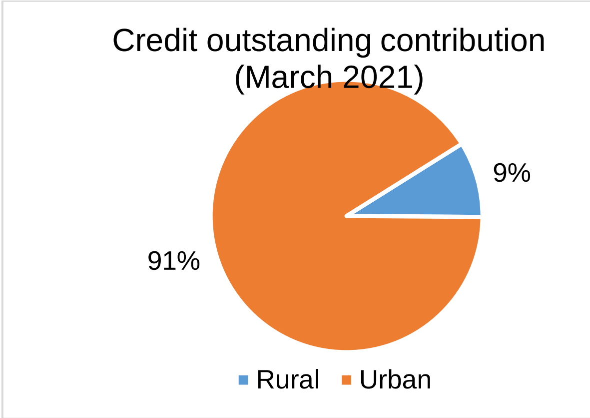


Note: (*) – US data is as of 2009 calendar year
Source: World Bank, RBI, CRISIL Research

According to Census 2011, there are about 640,000 villages in India, which are inhabited by about 893 million people, comprising about 66% of the country's population as of March 31, 2020. As of March 2021, approximately 47% of India's GDP comes from rural areas. Yet, ATMs are estimated to be present in less than 10% of the villages in India. CRISIL Research further estimates that only one in ten villages has reasonable access to an ATM terminal and a significant majority of the Tier-5 and Tier-6 towns and villages in the semi-urban and rural ("SURU") regions have very limited access to financial services. As of March 31, 2021, the contribution to outstanding credit from urban regions and rural regions was approximately 91% and 9%, respectively. The massive divergence in the rural areas' share of India's GDP and banking credit services compared with urban areas is an indicator of the extremely low penetration of banks in rural areas.

Rural areas account for 47% of GDP but only 9% of credit outstanding

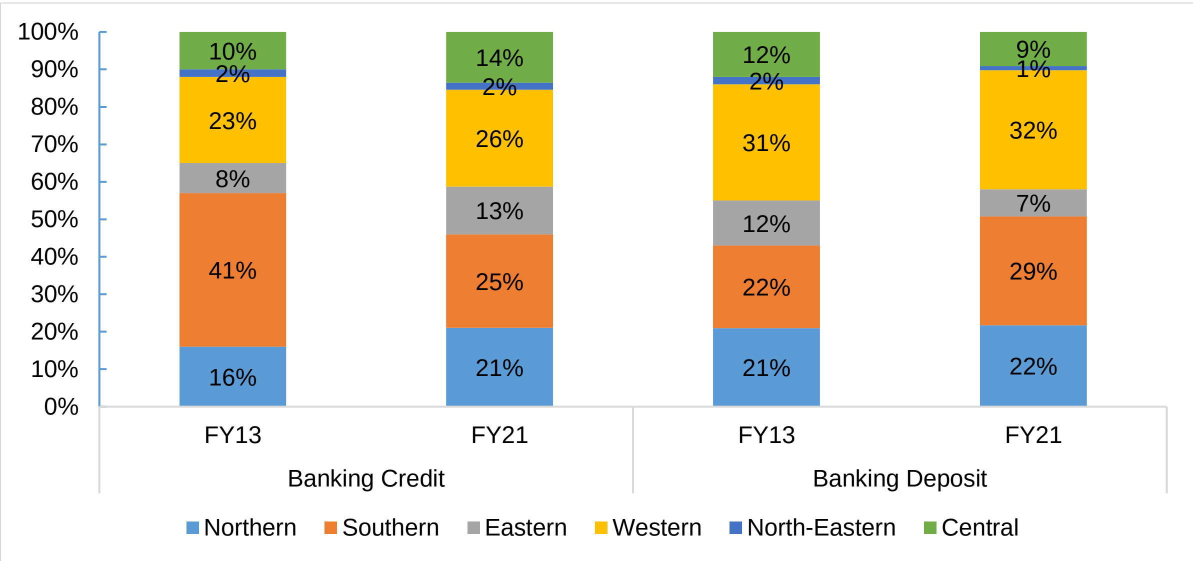




Source: CSO; RBI; CRISIL Research estimates (for GDP contribution as per 2017)

Within India, banking credit and deposits are predominantly concentrated in the southern and western regions. The north-eastern and eastern regions have the lowest share of banking credit and deposits within the country.

Region-wise share of banking credit and total deposits

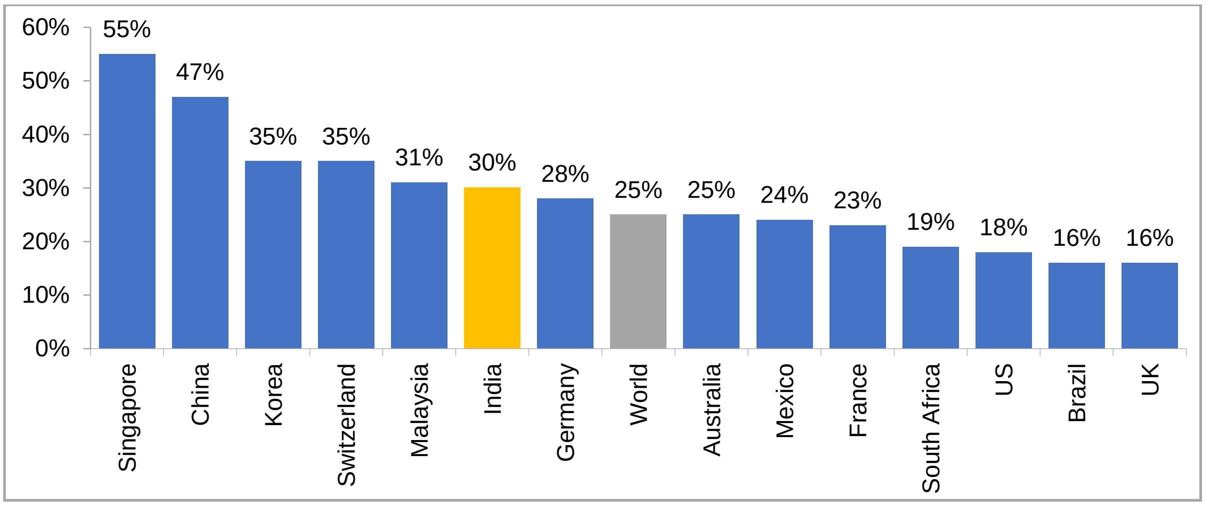


Note: 1. The percentages are as of the end of the fiscal year indicated.
2. As per RBI classification, Southern region includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Lakshadweep and Pondicherry, Central region includes Chhattisgarh, Madhya Pradesh, Uttarakhand and Uttar Pradesh, Northern region includes Chandigarh, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Delhi and Ladakh, Eastern region includes Bihar, Jharkhand, Odisha, Sikkim, West Bengal and Andaman and Nicobar Islands, Western regions includes Goa, Gujarat, Maharashtra, Daman and Diu and Dadra and Nagar Haveli and North Eastern region includes, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura.Source: RBI; CRISIL Research

Household savings to increase

According to World Bank, the savings rate, or the proportion of gross domestic savings ("GDS") in GDP, in the Indian economy has trended down in the past decade. India's GDS peaked at 36.8% of GDP in Fiscal 2008 and dipped to 32.0% in Fiscal 2009. That was largely on account of a sharp slowdown in public savings, as the government resorted to fiscal stimulus to address the external shock from global financial crisis. In calendar year 2019, India's GDS was 30%, above the world's GDS of 25%. CRISIL Research expects India to continue being a high savings economy.

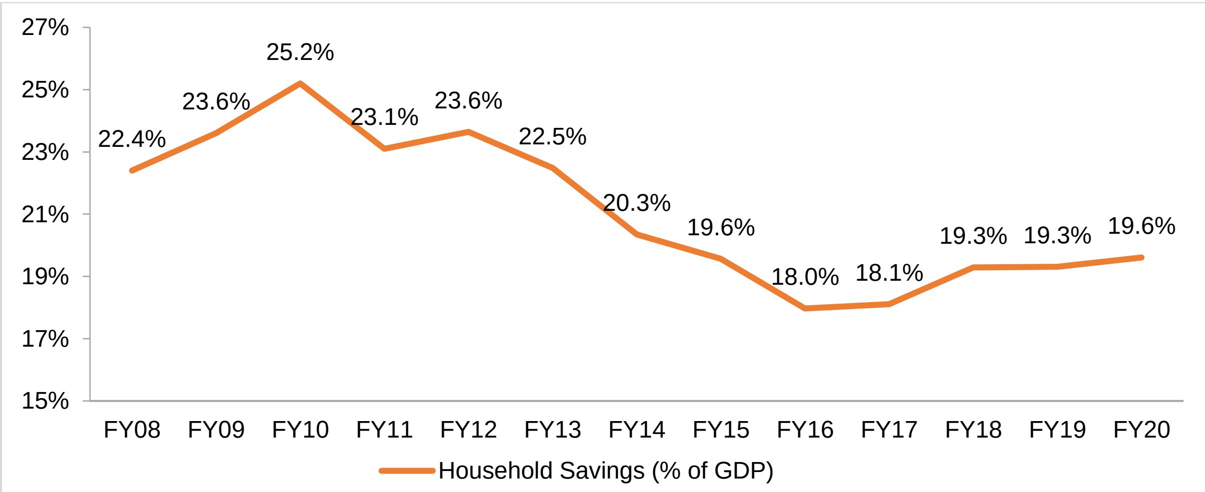
Gross Domestic Savings rate: India vs other countries (CY 2019)



Source: World Bank, Handbook of Statistics on Indian Economy 2018-19, RBI, MOSPI, CRISIL Research

According to CRISIL Research, Indian households contribute to approximately 60% of the country's savings. Household savings as a percentage of GDP in India has been sliding since Fiscal 2012, which decreased from 23.6% in Fiscal 2012 to 18.0% in Fiscal 2016. Household savings as percentage of GDP gradually rose to 19.6% in Fiscal 2020. In light of the decline in discretionary spending during the COVID-19 pandemic, CRISIL Research expects the household savings as a percentage of GDP in India to increase further. Yet, the absolute amount of savings might not increase at the same pace since the GDP growth is expected to be negative in Fiscal 2021.

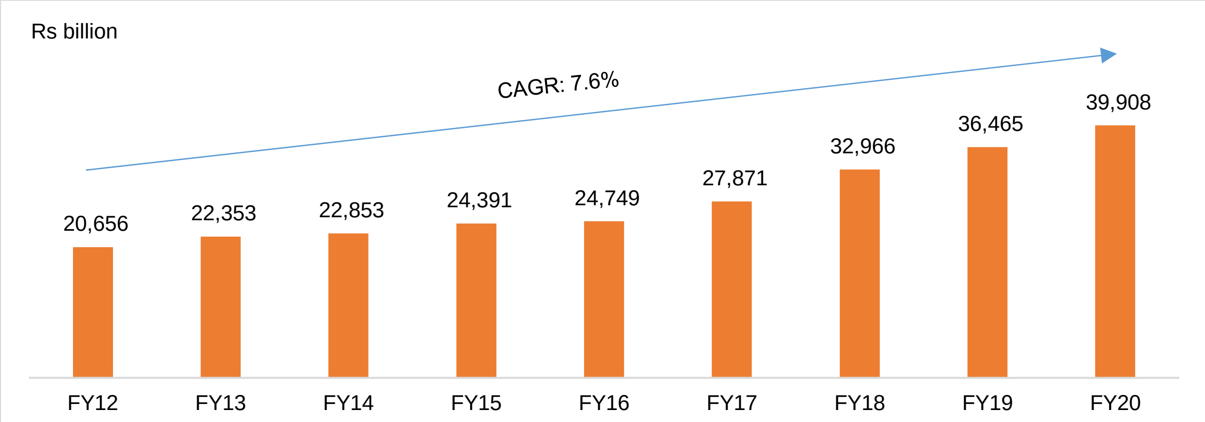
Household savings as a percentage of GDP has increased marginally in Fiscal 2020



Note: E: Estimated
Source: Ministry of Statistics and Programme Implementation (MOSPI), RBI, CRISIL Research

Despite the declining trend in household savings as a percentage of GDP in India from Fiscal 2012 to Fiscal 2016, absolute amount of household savings in India had grown at a CAGR of 7.6% from Fiscal 2012 to Fiscal 2020.

Household savings growth



Note: The data is for financial year ending March 31
Source: MOSPI, CRISIL Research

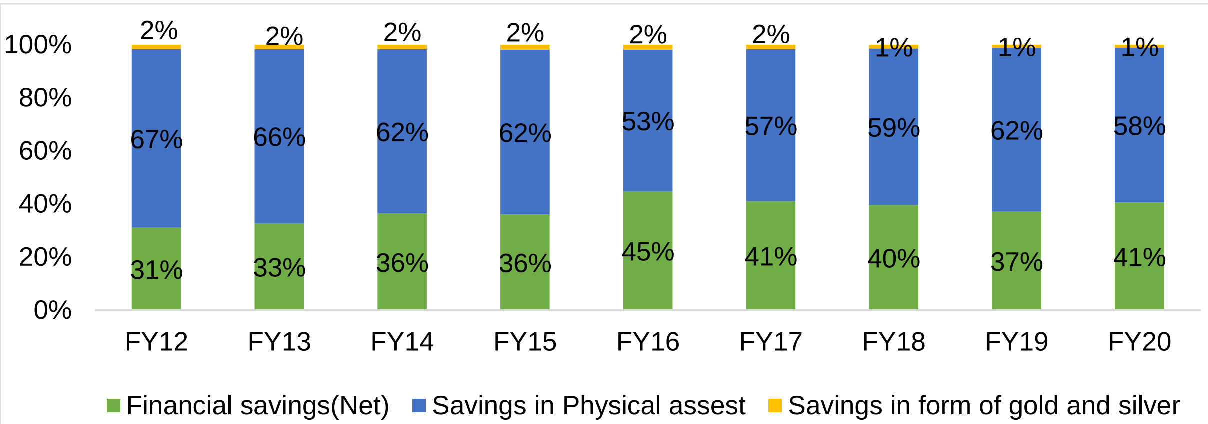
Household savings comprises of (i) net financial savings, (ii) savings in physical assets and (iii) savings in the form of gold and silver ornaments. From Fiscal 2012 to Fiscal 2020, net financial savings has witnessed an upward trend from 31% in Fiscal 2012 to 41% in Fiscal 2020. Over the next five years, with increase in financial literary, CRISIL Research expects the share of net financial savings as a proportion of household savings to increase.

Certain particulars of gross domestic savings

Parameters (Rs. billion)	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20
GDS	33,692	36,082	40,200	42,823	48,251	54,807	57,770	63,860
GDP (At current prices)	99,440	112,335	124,680	137,719	153,917	170,900	188,870	203,510
Percentage of GDP	33.9%	32.1%	32.2%	31.1%	31.3%	32.1%	30.6%	31.4%
Household sector savings (comprises of (i) net financial savings, (ii) savings in physical assets and (iii) savings in the form of gold and silver ornaments)	22,353	22,853	24,391	24,749	27,871	32,966	36,465	39,908
Percentage of GDP	22.5%	20.3%	19.6%	18.0%	18.1%	19.3%	19.3%	19.6%
Gross financial savings	10,640	11,908	12,572	14,962	16,147	20,564	21,341	22,846
Financial liabilities	3,304	3,587	3,768	3,854	4,686	7,507	7,784	6,641
Savings in physical assets	14,650	14,164	15,131	13,176	15,946	19,442	22,481	23,272
Savings in the form of gold and silver ornaments	367	368	456	465	465	467	427	431

Note: The data is for financial year ending March 31; Physical assets are those held in physical form, such as real estate, etc.
Source: MOSPI, National Accounts National Accounts Statistics, CRISIL Research

Composition of household savings



Note: The data is for financial year ending March 31
Source: Handbook of Statistics on Indian Economy 2018-19, RBI, MOSPI, CRISIL Research

Financial Inclusion

India's focus on financial inclusion is increasing

According to the World Bank's Global Findex Database 2017, the global average of adult population with an account (with a bank, financial institution, or mobile money providers) was about 69% in calendar year 2017. India's financial inclusion has improved from 2014 to 2017, with the adult population with bank accounts rising from 53% in calendar year 2014 (as per Global Findex Database 2014) to 80% in calendar year 2017.

According to a recent survey done by PRICE (People Research on India's Consumer Economy & Citizen Environment), in partnership with NPCI on Tracking Digital Payments Awareness, Adoption and Use Behaviour of Households, approximately 47% of the households in India do not have access to bank branches within two kilometers from their home and approximately 40% of the households in India do not have access to ATM terminals within two kilometers from their home. In addition, the following conclusions were drawn regarding the extent of financial penetration across various groups in India:

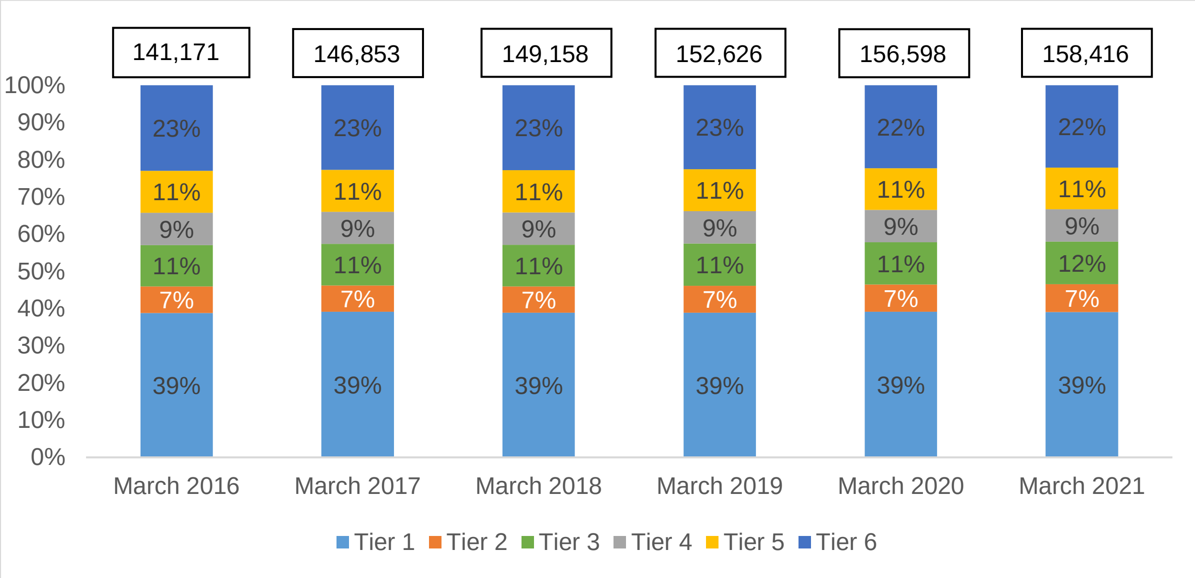
% of households who have	Income groups			Total
	Bottom 40%	Middle 40%	Top 20%	
Bank Account	100%	100%	100%	100%
Get SMS from bank	82%	89%	94%	87%
Showed Aadhaar Card to bank	69%	62%	77%	68%
PSU Bank accounts	85%	73%	66%	78%
Private Bank accounts	7%	12%	13%	10%
Both	7%	15%	22%	13%
Bank Branch < 2 kms from home	53%	54%	53%	53%
ATM < 2 kms from home	58%	59%	67%	60%
Reached by Bank Mitra	54%	56%	62%	56%
Has Debit Card	68%	79%	84%	77%
Uses Debit Card for Cash withdrawal	95%	87%	100%	94%

Note: The households were divided into three groups, the Bottom (40%), Middle (40%) and Top (20%). Bottom 40% had an average household income per year of Rs 110,000 and 80% of these households lived in rural areas. Middle 40% had average household income per year of Rs. 180,000 and 60% of these households lived in rural areas. Top 20% had average household income per year of Rs. 360,000 and 45% of these households lived in rural areas.
Source: NPCI report titled Digital Payments Adoption in India, 2020

SURU regions have limited to no available financial services

Although the majority of Indian households are located in the rural region, the banking infrastructure in these regions is relatively inferior. As of March 31, 2021, only about 33% of bank branches are located in Tier-5 and Tier-6 centres whereas the total population living in these areas forms 64% of the overall population in the country. As of March 31, 2021, there were only about 52,789 bank branches in tier-5 and tier-6 centres, indicating that Indian banks have substantially less infrastructure in the SURU regions as compared to metro and urban areas. Thus, there is a gap in the supply and demand of financial services in the rural regions of the country, which presents significant opportunity for the financial services sector.

Tier-wise Bank branches in India



Note: Tier-wise classification as per population by RBI

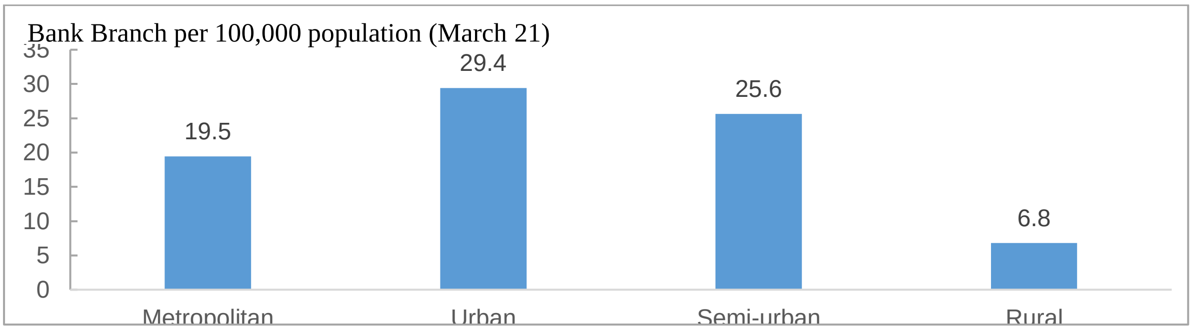
Tier1=100,000 & above, Tier2 =50,000 to 99,999, Tier3 =20,000 to 49,999, Tier4 =10,000 to 19,999, Tier5 =5,000 to 9,999, Tier6 =less than 5000

Source: RBI, Census, CRISIL Research

Bank branch and ATM network needs to expand in rural areas

As per census 2011, around 776 million people live in rural area wherein bank branch penetration is too low, indicating huge room for financial inclusion and banking services penetration. As of March 31, 2021, rural India has 6.8 branches and 6.2 ATMs per 100,000 populations which is much lower than in the urban areas. It is estimated that only one in ten villages have reasonable access to a ATM. CRISIL Research estimates that as of March 31, 2021, the SURU regions accounted for 75% of India's population but only 48% of ATMs were deployed there.

Bank branch penetration across India



Note: Population classification is as per census 2011
Source: RBI, Census, CRISIL Research

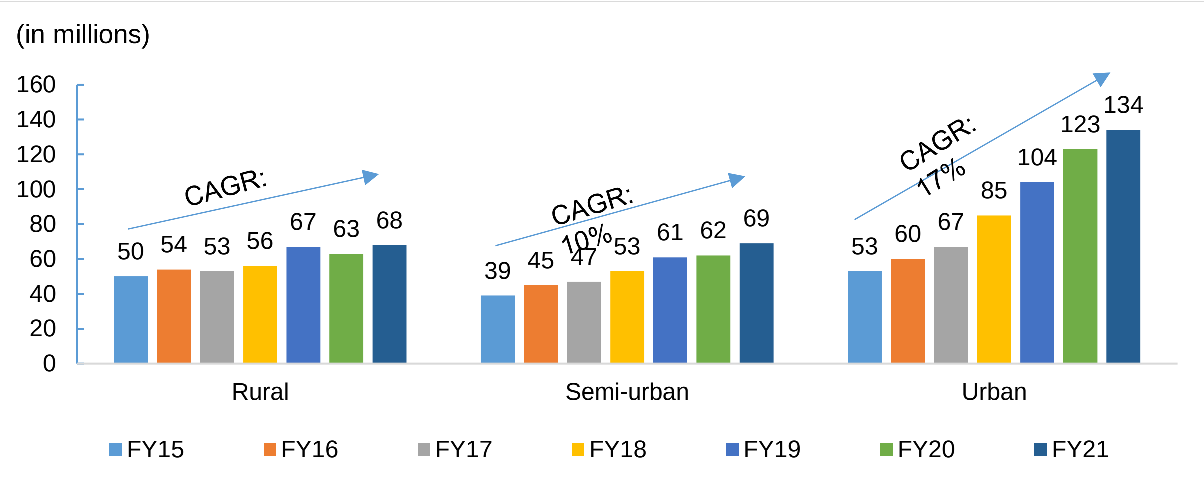
To tackle financial exclusion, the Indian government introduced the PMJDY (as defined herein), a scheme that facilitates opening bank accounts by the unbanked. However, the effective use of these new accounts, increase in the number of transactions in these accounts and availability of credit remain key challenges, which need to be effectively addressed as borrowings from the formal sources still remains low.

Rural India accounts for about half of GDP, but only about 9% of total credit outstanding

In 2017, about 47% of India's GDP was estimated to be generated from rural areas. However, rural areas' share in banking credit is abysmally low, with just 9% of total credit outstanding in rural areas. The massive divergence in the rural areas' share of India's GDP and banking credit services compared with urban areas is an indicator of the extremely low penetration of the banking sector in rural areas.

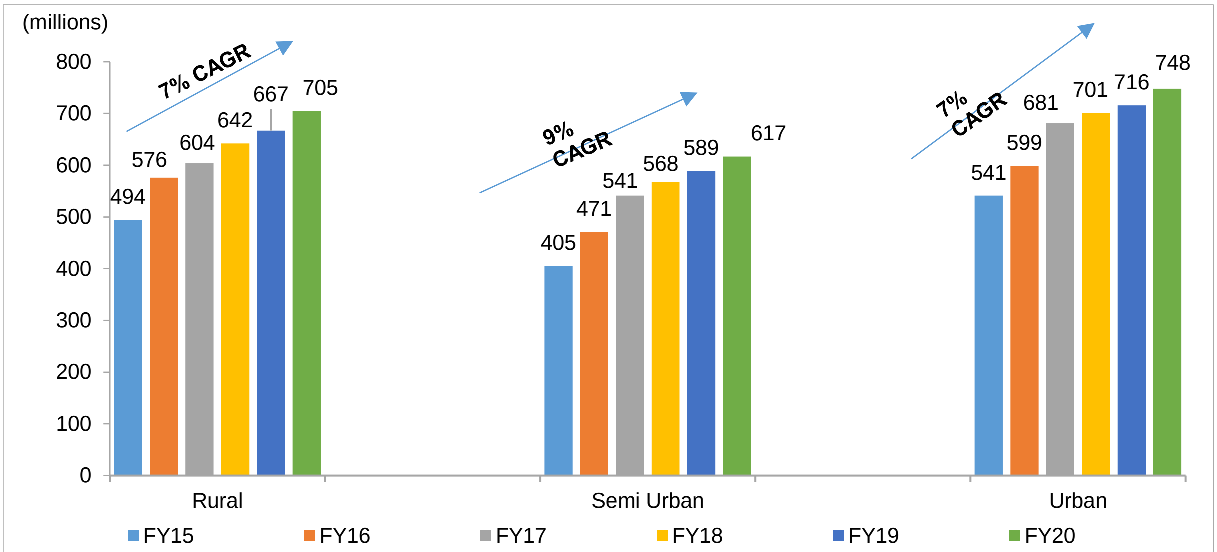
Between the end of Fiscal 2015 and the end of Fiscal 2021, the number of bank credit accounts in rural areas grew at a CAGR of 5% and, between the end of Fiscal 2015 and the end of Fiscal 2020, the number of bank deposit accounts in rural areas grew at a CAGR of 7%.Between the end of Fiscal 2015 and the end of Fiscal 2021, the number of credit accounts in semi-urban areas grew at a CAGR of 10% and, between the end of Fiscal 2015 and the end of Fiscal 2020, the number of deposit accounts in semi-urban areas grew at a CAGR of 9%. For urban areas, the number of credit accounts grew at a CAGR of 17% between the end of Fiscal 2015 and the end of Fiscal 2021 and the number of deposit accounts grew at a CAGR of 7% between the end of Fiscal 2015 and the end of Fiscal 2020.

Bank credit accounts in rural, semi-urban and urban areas



Note: Urban includes data for Urban and Metropolitan areas; amounts are as of the end of the fiscal year indicated. Data represents only bank credit accounts
Source: RBI; CRISIL Research

Bank deposit accounts in rural, semi-urban and urban areas



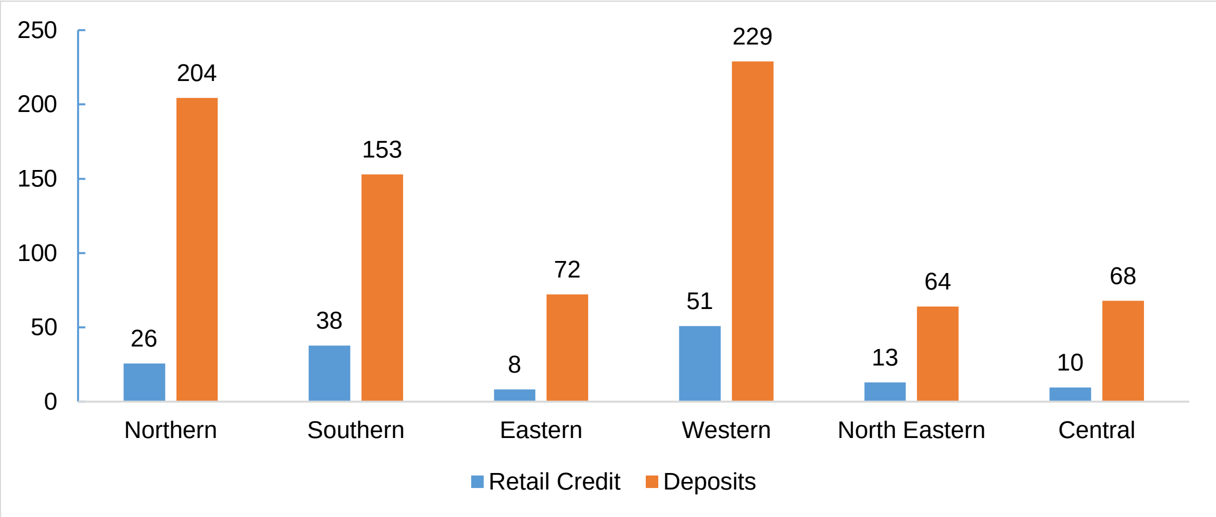
Note: Urban includes data for Urban and Metropolitan areas; amounts are as of the end of the fiscal year indicated. Data represents only bank deposit accounts

Source: RBI; CRISIL Research

Region-wise asymmetry: Central and eastern regions are relatively underpenetrated in terms of bank credit and deposits

In India, bank retail credit per capita in the east is the lowest in the country and is nearly five times lower than in the south and west. Low per-capita retail credit as well as deposits in eastern, central, and north-eastern regions compared with other regions implies low penetration of banks in these areas. This provides an opportunity for all lending and deposit accepting institutions to expand in these regions and also expand their reach in specific areas around them. In terms of deposits, the southern region is moderately penetrated, when compared to the northern and western regions.

Region-wise per capita banking retail credit and deposits as of the end of FY21 (Rs. in thousands)*



Note: 1. '' population as per the census data of 2011*
2. As per RBI classification, Southern region includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Lakshadweep and Pondicherry, Central region includes Chhattisgarh, Madhya Pradesh, Uttarakhand and Uttar Pradesh, Northern region includes Chandigarh, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Delhi and Ladakh, Eastern region includes Bihar, Jharkhand, Odisha, Sikkim, West Bengal and Andaman and Nicobar Islands, Western regions includes Goa, Gujarat, Maharashtra, Daman and Diu and Dadra and Nagar Haveli and North Eastern region includes, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura.Source: RBI; Census India; CRISIL Research

Key steps taken by the Government to boost financial inclusion

To improve financial inclusion, especially in rural areas, the Government is focusing on improving the overall and rural infrastructure for penetration of financial services as well as empowering the development of parallel supporting institutions. This has provided an opportunity for payment banks and other financial institutions to cater to the unserved population or act as a bridge between the larger financial institutions and other service providers to better serve the underserved customers.

Considerable progress has been made over the past five to seven years to bring unbanked individuals into the formal banking system. The RBI and the Government have taken several measures, such as:

<u>Pradhan Mantri Jan Dhan Yojana (PMJDY)</u>: Pradhan Mantri Jan Dhan Yojana ("**PMJDY**"), launched in August 2014, is aimed at ensuring affordable access to financial services – banking/savings and deposit accounts, remittances, credit, insurance, and pension. PMJDY focuses on household coverage as compared with the earlier schemes that focused on coverage of villages. It aims to extend banking facilities to all within a reasonable distance in each sub-service area (consisting of 1,000-1,500 households) across India.

As on March 31, 2021, 422 million PMJDY accounts had been opened, of which, 66% were in rural and semi-urban areas, with total deposits of Rs. 1,455 billion.

Although the opening of PMJDY accounts has enhanced financial inclusion, the high proportion of zero-balance or dormant accounts is concerning at the beginning of the commencement of the scheme. However, the number of inoperative accounts under PMJDY had been declining, as per the official website of the Government of India. The data shows that the percentage of inoperative accounts (of total PMJDY accounts) declined from 76.8% in September 2014 to less than 14% in August 2020.

With various schemes, such as Pradhan Mantri Social Security Schemes including Pradhan Mantri Jeevan Jyoti Bima Yojana, Atal Pension Yojana and Pradhan Mantri Suraksha Bima Yojana being run under PMJDY, people have ample reason to enroll for the PMJDY.

Pradhan Mantri Suraksha Bima Yojana (PMSBY): PMSBY was launched on May 9, 2015. It offers a renewable one-year accidental death and disability cover of Rs. 200,000 to all subscribing bank account holders in the age group of 18 to 70 years for a premium of Rs.12/- per annum per subscriber. As of May 26, 2021, 234 million people were enrolled under the scheme and 45,992 claims had been disbursed out of 59,461 claims received.

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY): PMJJBY was launched on May 9, 2015. It offers a renewable one-year term life cover of Rs.200,000 to all subscribing bank account holders in the age group of 18 to 50 years, covering death whatsoever caused, for a premium of Rs.330/- per annum per subscriber. The scheme is offered and administered through Life Insurance Company (LIC) and other life insurance providers willing to offer the product on similar terms. As on May 26, 2021, 103 million people were enrolled under this scheme and 244,197 claims had been disbursed out of 260,547 claims received.

Atal Pension Yojana (APY): APY was launched on May 9, 2015, to create a universal social security system for all Indians, especially the poor, the under-privileged and the workers in the unorganised sector. APY is administered by Pension Fund Regulatory and Development Authority (PFRDA). APY is open to all bank account holders in the age group of 18 to 40 years and the contributions differ, based on pension amount chosen. Subscribers would receive the guaranteed minimum monthly pension of Rs. 1,000 or Rs. 2,000 or Rs. 3,000 or Rs. 4,000 or Rs. 5,000 at the age of 60 years. As of March 31, 2021, there were more than 22 million subscribers for this scheme.

Pradhan Mantri Mudra Yojana (PMMY): PMMY is a scheme launched by the prime minister of India on April 8, 2015. PMMY provides loans in the principal amount of up to Rs. 1 million to the non-corporate, non-farm small/micro enterprises. These loans are classified as Micro Units Development and Refinance Agency (MUDRA) loans under PMMY. These loans are given by commercial banks, Regional Rural Banks (RRBs), small finance banks, mutual fund institutions and NBFCs. As of 31 July 2021, 306.1 million MUDRA loans worth more than Rs.16 trillion have been sanctioned.

Standup India Scheme: The scheme was launched by the prime minister of India on April 5, 2016. The objective of the scheme is to facilitate bank loans in the principal amount of Rs.1 million to Rs. 10 million to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch for setting up a greenfield enterprise. Such greenfield enterprise may be in manufacturing, services, agri-allied activities or the trading sector. For non-individual enterprises, at least 51% of the shareholding and controlling stake should be held by either an SC/ST or woman entrepreneur. As of March 31, 2021, 117,560 applications amounting to more than Rs.265 billion have been sanctioned under the scheme.

Direct-benefit transfer ("DBT"): Benefit transfer in form of cash through the DBT mechanism has increased from approximately Rs. 74 billion in Fiscal 2014 to Rs. 2,966 billion in Fiscal 2021. These cash inflows are driving demand for cash in SURU regions and in tier 5- and tier-6 towns and villages where beneficiaries reside. This has resulted in fewer slippages, and faster and easier remittance to the intended. This, in turn, is expected to give rise to the usability of agent network for other related transactions, when the money is already in the bank accounts of customers. CRISIL Research expects the availability of funds in the bank accounts of the beneficiaries will support growth in digital transactions. For further information on DBT, see " – *Overview of the Indian ATM Industry – Key growth drivers of the Indian ATM industry – Growth to be driven by increase in direct benefit transfers*" on page 139 of this Draft Red Herring Prospectus

Payment banks

Another step taken towards financial inclusion was the launch of payment banks. On August 19, 2015, RBI granted in-principal approvals to 11 players to launch payment banks. The decision came after the recommendations from Nachiket Mor Committee to set up a specialized bank to cater to the low-income groups. After the licences were granted to 11 players, three players withdrew their application. Of the remaining eight, seven institutions – India Post Payments Bank Ltd, Airtel Payments Bank Ltd, PayTM Payments Bank Ltd, Fino

Payments Bank, Aditya Birla Idea Payments Bank Ltd and Jio Payments Bank and NSDL Payments Bank had commenced operations. In 2019, Aditya Birla Payments Bank Ltd shut down its operations due to mounting losses.

The objective of a payment bank is to widen the spread of payment services and deposit products to small businesses, low-income households, migrant labour workers and other unorganized entities by enabling high volume of low value transactions in deposits and payments/remittance services to be done in a secured technology-driven environment.

Payment banks can accept deposits, subject to a cap of Rs. 200,000 per customer, and provide payment and remittance services through various channels, such as the internet, branches, business correspondents (BCs) and mobile banking. However, these banks cannot offer credit facilities directly, but can choose to act as a BC of another bank for credit and other services.

Along with maintaining a cash reserve ratio (CRR) with the RBI, payment banks are required to invest a minimum of 75% of their demand deposit balance in Government securities eligible under the statutory liquidity ratio (SLR), with maturity of up to one year, and hold a maximum 25% in current and fixed deposits with Scheduled Commercial Banks (SCBs). As of March 31, 2020, the total deposits with payment banks stood at Rs 23 billion.

Small Finance Banks (SFBs)

As of July 2021, the RBI had awarded SFB licenses to 11 institutions, with an aim to service the underserved customers through savings instruments, and supplying credit to small business units, small and marginal farmers, micro and small industries, and other unorganized sector/lending through informal channels. SFBs are also required to dedicate 75% of their Adjusted Net Bank Credit (ANBC) towards priority sectors. As of March 31, 2021, SFBs have total deposits of Rs. 876 billion in SURU region whereas total credit outstanding were Rs. 1,135 billion in SURU region. For the SFBs, nearly 20% of their deposits arise from the rural and semi-urban areas, whereas the credit view shows that 40% of their advances are extended in rural and semi-urban areas as of March 31, 2021. This has led to increasing credit penetration in rural areas, thereby ensuring financial inclusion.

MFI Institutions (MFIs)

MFIs have a significant role to play in furthering financial inclusion, by providing small ticket loans to customers, usually for productive purposes. As of March 31, 2021, the microfinance segment has a total loan amount outstanding of Rs. 2,279 billion of which 41% was financed by banks and 31% by NBFC-MFIs.

White label ATM (WLAs)

ATMs established, owned and operated by non-bank entities are called white label ATMs (WLAs). WLA companies plug into the banking network and allow customers of any bank to withdraw funds and also offer other services such as bill payment and cash deposit services. In return, WLAs charge fees from the card-issuing bank to provide the facility to bank customers. RBI has authorized the operations of WLAs by non-bank entities under Payment & Settlement Systems Act, 2007, in order to increase the ATM network in India, especially in rural and semi-urban areas. In June 2013, Tata Communications Payment Solutions (Brand name – Indicash), a wholly owned subsidiary of Tata Communications, launched the first ATM in a Tier-5 town. India1 Payments Limited (formerly known as BTI Payments Private Limited) is the largest white label ATM operator in India, based on the number of ATM transactions in Fiscal 2021 and installed base as of March 31, 2021.

In March 2019, RBI eased business guidelines for WLAs, allowing them to directly source cash from RBI in order to reduce the WLA operators' dependency on banks withdrawals. This has resulted in higher availability of cash in all denominations and a reduction in transportation and operational costs for white label ATM operators.

WLA operators in India

WLA operators	License approval date	Number of ATMs (March 2021)
Tata Communications Payment Solutions	3rd May, 2013	6,189
Hitachi Payment Services	25th November, 2013	5,388
Vakrangee	23rd January, 2014	5,414
India1 Payments Limited	12th February, 2014	8,022

Source: RBI, CRISIL Research

Business Correspondents (BCs)

In one of its foremost measures, the RBI introduced the BC model of banking outreach in January 2006, aimed at leveraging information and communication technology to widen access to the banking system. BCs are retail agents engaged by banks to offer banking services at locations other than a bank branch/ATM. They are authorized to perform a variety of activities including collection of small-value deposits, disbursal of small-value credit, recovery of principal, collection of interest, sale of micro insurance, mutual fund products, pension products, other third-party products, and receipt and delivery of small value remittances/other payment instruments. In July 2014, the RBI allowed NBFC-MFIs to work with banks as BCs. As of December 2020, 360 million basic savings bank deposit accounts (BSBDA) were opened through BCs. (Source: RBI)

Aadhaar

Adoption of Aadhaar and Aadhaar authentication in the Indian financial system is expected to transform the financial landscape. To increase financial inclusion, the Unique Identification Authority of India partnered with the RBI, National Payments Corporation of India (NPCI), Indian Banks Association (IBA) and banks to develop:

- Aadhaar Payments Bridge (APB) – The system was launched in 2011 to enable a smooth transfer of all Government welfare scheme payments to a beneficiary's Aadhaar Enabled Bank Account (AEBA); and

- Aadhaar enabled payment system (AEPS) – A system that leverages Aadhaar online authentication and enables AEBAs to be operated in anytime-anywhere banking mode by the marginalised and financially excluded via micro-ATMs.

Priority sector lending (PSL) aimed at facilitating financial inclusion

Currently, the RBI's lending norms require every scheduled commercial bank (including foreign banks) to extend 40% of their adjusted net bank credit to certain eligible sectors, including agriculture and micro, small and medium enterprise sectors. Given the nature of such loans, a significant portion of priority sector loans are extended to enterprises in semi-urban and rural areas.

In September 2020, RBI unveiled new guidelines for PSL, wherein higher weights were assigned to districts having a relatively lower credit penetration. From Fiscal 2022 onward, a weight of 125% would be assigned to incremental priority sector credit in identified districts where credit flow is low and per capita PSL is lower than Rs. 6,000. A lower weight of 90% will be assigned to incremental PSL in identified districts where credit flow is relatively higher and per capita PSL is more than Rs. 25,000. Other districts will continue to have the existing weightage of 100%. CRISIL Research expects that this will incentivize credit flow to credit deficient geographies.

Overview of the global ATM Industry

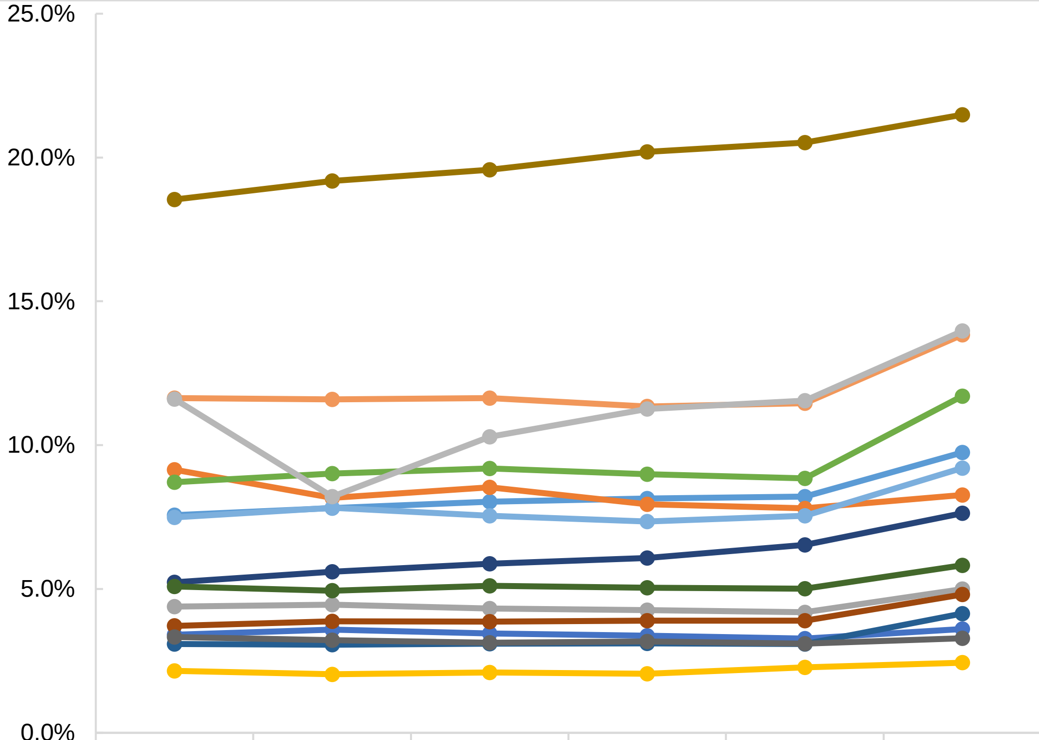
An automated teller machine ("ATM") is an electronic device that facilities 24/7 availability of banking services to customers. An ATM provides customers with access to basic banking transactions, such as cash deposits, cash withdrawals, enquiry on account balances and assisted digital services (such as bill payments, transfers, etc.), without the presence of a physical branch.

Cash in circulation on rise across countries over the years

Between calendar years 2015 and 2019, although digital payments penetration has increased notably for most countries across the world, cash in circulation for most of the major economies had also witnessed an increasing trend. While digital payments are increasingly becoming popular, cash also remains an important mode of payment in day-to-day transactions. Even for developed countries where share of digital transactions is high, cash in circulation to GDP ratio has also increased and remained high over the years. For example, in the United States, cash in circulation as a percentage of GDP increased from 7.6% in calendar year 2015 to 9.7% in calendar year 2020. In South Korea, where mobile phones and high-speed data connectivity are ubiquitous, cash in circulation as a percentage of GDP had increased from 5.2% in calendar year 2015 to 7.6% in calendar year 2020. Developing countries in Asia such as Malaysia and Thailand had also witnessed an increase in cash in circulation as a percentage of GDP over the 5-year period between calendar year 2015 and calendar year 2019.

In India, where the rural economy contributes to almost half of the GDP and accounts for 65% of the population, the prevalence of cash and its usage is quite significant. India has the second highest cash in circulation to GDP ratio in calendar year 2020, followed by Thailand, Russia and United States.

Trends in cash in circulation to GDP ratio for major economies



	2015	2016	2017	2018	2019	2020
USA	7.6%	7.8%	8.0%	8.2%	8.2%	9.7%
China	9.1%	8.2%	8.5%	7.9%	7.8%	8.3%
Australia	4.4%	4.5%	4.3%	4.3%	4.2%	5.0%
New Zealand*	2.2%	2.0%	2.1%	2.1%	2.3%	2.4%
UK^	3.4%	3.6%	3.5%	3.4%	3.3%	3.6%
Russia	8.7%	9.0%	9.2%	9.0%	8.8%	11.7%
Brazil	3.1%	3.1%	3.1%	3.1%	3.1%	4.1%
Canada**	3.7%	3.9%	3.9%	3.9%	3.9%	4.8%
South Africa^	3.3%	3.2%	3.1%	3.2%	3.1%	3.3%
Japan**	18.5%	19.2%	19.6%	20.2%	20.5%	21.5%
Korea	5.2%	5.6%	5.9%	6.1%	6.5%	7.6%
Indonesia	5.1%	4.9%	5.1%	5.0%	5.0%	5.8%
Malaysia	7.5%	7.8%	7.5%	7.3%	7.5%	9.2%
Thailand	11.6%	11.6%	11.6%	11.3%	11.5%	13.8%
India*	11.6%	8.2%	10.3%	11.3%	11.6%	14.0%

Note: Above data is for calendar years. (*) Data as of end of March of next calendar year is used for CIC and GDP, (**) Data as of end of March of next calendar year is used for CIC and data for the calendar year is used for GDP, (^) Data as of end of February of next calendar year is used for CIC and data for the calendar year is used for GDP

Source: Central Banks of all countries, Bank of International Settlements, World Bank, CRISIL Research

Growth trend in cash in circulation and GDP in major economies

In calendar year 2020, while the transactions in cash declined, the cash in circulation for all countries witnessed a strong growth, even when nominal GDP declined for many countries. Between calendar year 2015 and calendar year 2019, cash in circulation for all major economies had grown at a higher CAGR than the growth in nominal GDP.

Cash in circulation and GDP growth trend in developed and developing countries

CIC growth	Cash in circulation (y-o-y growth)							GDP (y-o-y growth)						
Developed countries	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**Jun 21**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021 P**
Australia	8%	5%	3%	4%	3%	17%	6%	2%	4%	6%	5%	5%	-1%	7%
Canada**	7%	6%	5%	5%	4%	18%	13%	0%	2%	6%	4%	4%	-5%	10%
Japan**	6%	4%	4%	3%	2%	6%	3%	3%	1%	2%	0%	0%	1%	3%
New Zealand*	11%	1%	11%	3%	16%	8%	NA	5%	6%	7%	5%	5%	1%	5%
UK^	7%	8%	0%	1%	0%	14%	NA	5%	3%	4%	4%	4%	4%	8%
USA	6%	6%	7%	7%	5%	16%	11%	4%	3%	4%	5%	4%	-2%	9%
Developing countries														
Brazil	4%	4%	6%	7%	5%	35%	5%	4%	5%	5%	6%	6%	1%	10%
China	5%	-3%	16%	3%	5%	9%	6%	7%	8%	11%	10%	7%	3%	12%
India*	15%	-21%	39%	21%	10%	17%	12%	10%	12%	11%	11%	8%	-3%	14%
Indonesia	11%	4%	13%	8%	6%	13%	12%	9%	8%	10%	9%	7%	-3%	6%
Korea	16%	12%	11%	7%	9%	17%	15%#	6%	5%	5%	3%	1%	0%	5%
Malaysia	13%	11%	6%	3%	7%	14%	13%	6%	6%	10%	5%	5%	-6%	9%
Russia	1%	7%	9%	11%	3%	30%	14%#	5%	3%	7%	13%	5%	-2%	12%
South Africa^	8%	3%	5%	8%	2%	10%	4%^^	7%	6%	8%	7%	5%	4%	8%
Thailand	3%	6%	7%	3%	4%	12%	6%	4%	6%	6%	6%	3%	-7%	3%

Note: (*) Data as of end of March of next calendar year is used for CIC and GDP, (**) Data as of end of March of next calendar year is used for CIC and data for the calendar year is used for GDP, (^) Data as of end of February of next calendar year is used for CIC and data for the calendar year is used for GDP, (#) Y-o-Y growth is calculated on May 2021 and May 2020 numbers, (^^) Y-o-Y growth is calculated on April 2021 and April 2020 numbers, NA – Not available, P – Projected

Source: Central Banks of all countries, Bank of International Settlements, IMF, World Bank, CRISIL Research

Growth in cash withdrawal transaction value for major economies

Cash is one of the most popular options to pay for goods and services around the world. Cash continues to provide consumers with a convenient, low cost, safe and universally accepted way of paying for virtually any good or service at any time, under any conditions and is not dependent on any external technology for the payment to be processed. In developing countries, usage of cash is more common owing to lower penetration of banking services and internet services. Yet, in developed countries with higher digital, banking and internet penetration, certain consumers still have a preference for cash as a mode of payment.

A recent report published by Cardtronics (Health of Cash Check-up report, May 2020), a leading global player in the ATM Industry, brings out the importance of cash in the United States economy. In the United States, cash continues to be the preferred method of payment, especially for small value transactions. According to the report, more than 50% of consumers prefer cash as a mode of transaction for purchases under US$10 and nearly 25% of consumers chose cash as a payment method for purchases of US$10-20. Cash is also a preferred payment method for smaller ticket items and quick stops at convenience stores, coffee shops, etc.

In July 2021, the House of Commons Library, United Kingdom published a report named "Protecting access to cash" highlighting that the usage of cash has declined in UK over the years but remains a key payment method. In calendar year 2019, cash still accounted for 23% of all payments and was second most common form of payment in the United Kingdom. Moreover, UK Finance in its report "Future Ready Payments 2030" published that consumers continue to use cash particularly for spontaneous payments such as retail payments (30% of payments were in cash), person-to-person payments (39% of payments were in cash) and entertainment payments (37% of the payments were in cash) in calendar year 2019.

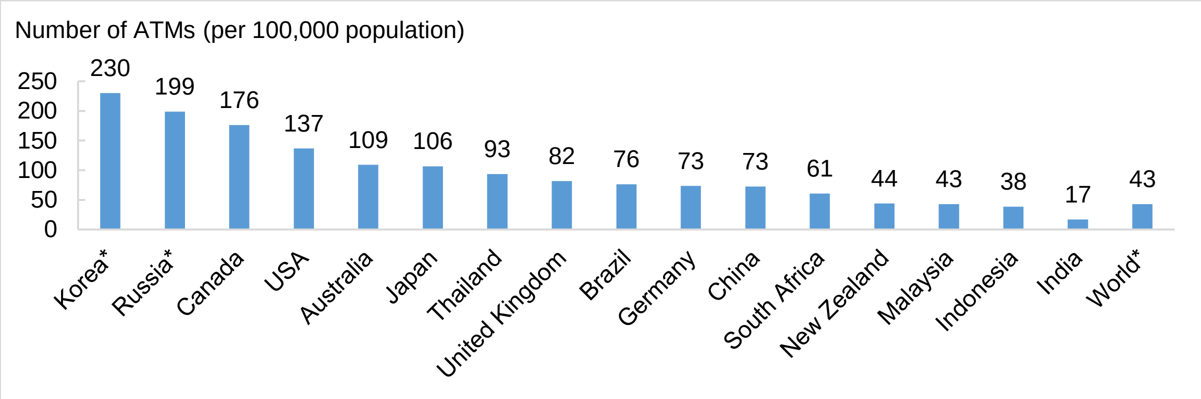
In Canada, cash remains a predominant mode of transaction for low value transactions. According to a consumer survey conducted by Bank of Canada, while the share of cash transactions had declined, 40% of the number of transactions made for purchases under CAD15 were made through cash and approximately 30% of the transactions made for purchases of CAD15-20 were through cash in the calendar year 2020. Moreover, the report also stated that almost 80% of the Canadians reported that they have no plans of going cashless in the next five years.

Between calendar year 2015 and 2019, although digital transactions had witnessed strong growth in most major countries, cash withdrawal transactions from ATMs had also witnessed growth in most major countries, indicating preferences from certain consumers for cash usage.

Growth in number of ATM terminals in major economies

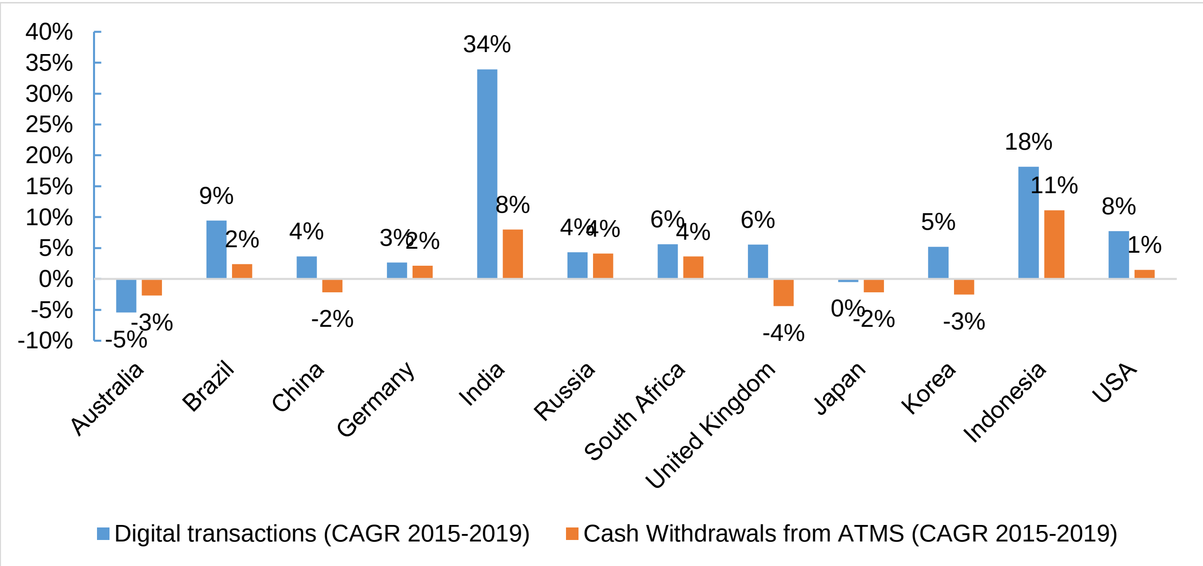
In calendar year 2020, the number of ATM terminals deployed per 100,000 people in many developed and developing countries is higher than the world average. Countries including the United Kingdom, Russia, United States and Canada have the highest number of ATM terminals deployed per 100,000 people. Certain countries, such as India, Indonesia and Malaysia, are still lagging behind and have lower ATM penetration compared to the world average. CRISIL Research believes that rise in number of ATMs in relatively under-penetrated countries will propel growth for the global ATM market.

Number of ATM terminals (per 100,000 adults) (calendar year 2020)



*Note: * Data for calendar year 2019*
Source: Company Reports, IMF, World Bank, BIS, RBI, House of Commons Library, UK, European Association for Secure Transactions (EAST), CRISIL Research

Growth in digital transaction value and cash withdrawal transaction value over calendar year 2015 to 2019



Note: Digital transactions include credit transfer, direct debits, cards and e-money payments and excludes cash and cheque based transactions
Source: Bank of International Settlements, CRISIL Research

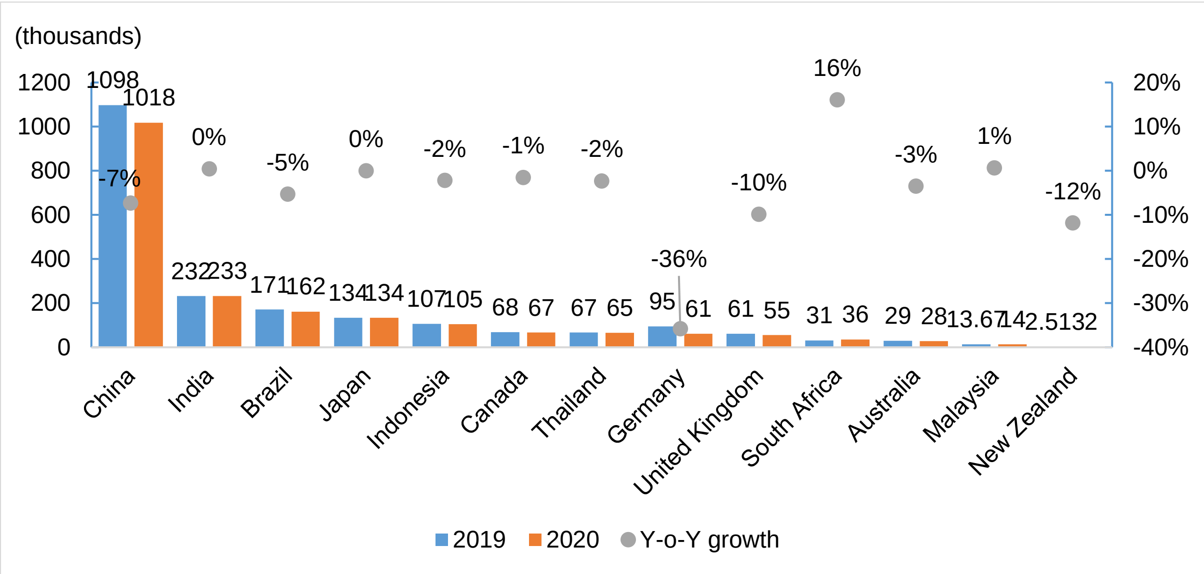
In calendar year 2020, the COVID-19 pandemic led to rise in digital payments owing to lockdowns in various countries and consumers avoiding cash transactions from a safety perspective. This impacted the cash transactions for the day-to-day activities. ATM cash withdrawals also declined for most of the countries. In India, cash withdrawal transactions declined by 13% to Rs. 28.9 trillion in Fiscal 2021 from Rs. 33.1 trillion in Fiscal 2020. However, with economies returning to normal, low value cash transactions are expected to regain.

COVID-19 pandemic led to some headwinds in the global ATM industry

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic, which triggered national lockdowns in many countries. National lockdowns adversely affected the footfalls at ATM locations and lowered the demand for cash, which caused many ATMs being permanently removed or temporarily closed. In addition, locations such as casinos, theme parks, malls, tourist-focused ATMs, education facilities and other ATM sites remained closed since COVID-19, which caused banks and independent ATM deployers (IADs) to remove machines from these locations owing to decreased transaction volumes. The national governments and central banks in many countries also promoted cashless payments as a hygienic alternative. Accordingly, many banks and IADs in various countries focused on maintaining and replenishing their existing network of deployed ATMs, rather than making fresh investments to increase new installations, which adversely impact the growth of the ATM industry.

In calendar year 2020, most countries witnessed negative or zero growth in number of ATM terminals deployed. In Germany the number of ATMs deployed reduced by 36%, as compared to calendar year 2019, followed by 12% in New Zealand, 10% in the United Kingdom, 7% in China and 5% in Brazil. Conversely, South Africa witnessed year-on-year growth of 16% in ATM terminals deployed in calendar year 2020.

Number of ATM terminals in 2019 and 2020



Source: Bank of International Settlements (BIS), International Monetary Fund (IMF), Reserve Bank of India (RBI), House of Commons Library, UK, European Association for Secure Transactions (EAST)

However, going forward, with the expected easing of COVID-19 restrictions, CRISIL Research believes that growth in the number of ATM terminals will return in several markets as demand for cash and drive for financial inclusion increases. In India, the number of ATMs grew to 238,588 (excluding cash recyclers) as of March 31, 2021.

Business models in global ATM industry

The global ATM industry can be categorized into four business models:

- **Conventional/Banks ATMs** are owned and deployed by banks to offer routine financial services to customers at both on-site (inside bank branches) and off-site (other than bank branches) locations. The cost of deployment, operations and maintenance of conventional/bank ATMs is borne by the relevant banks.

- **White label ATMs** are owned by non-banking entities that set up and operate their own ATMs. These entities are engaged by banks in order to improve the banks' geographical reach. The ATMs set up under this business model carry the brand name of the White label ATM Operators ("WLAOs"), and customers, irrespective of which bank they maintain accounts with, are able to use these ATMs for their banking transactions. These WLAOs charge an interchange fee to banks for each transaction made by the bank customer at their white label ATMs. Business growth of a WLAO is entirely dependent on the operator's own strategy for adding ATMs and attracting customer footfalls, and is not dependent on the business expansion plans of the banks. In the global ATM industry (but not in the Indian market), some WLAOs operate pay-to-use ATMs, where customers pay a convenience fee to access.

- **Brown label ATMs** ("**BLA**") are ATMs in which third-party service providers own and manage the ATMs under a bank's brand name for a contracted period. BLA operators also provide ourstourcing services to partner banks. Addition of BLAs is driven by the partner bank's decision. Unlike white label ATMs, BLAs carry the brand name of the partner bank. Partner bank(s) pay fees to the BLA operators for provision of ATM services on their behalf.

Key trends in Global ATM Industry

Share of IADs continue to increase in developed markets

In developed economies such as the United States and the United Kingdom, expansion of retail banking services through digital channels has led to financial institutions de-emphasising traditional physical branches and conventional ATMs to reduce operational costs. This has resulted in an increase in share of Independent ATM Deployers (IADs) or White label ATMs Operators. The use of white label ATMs has increased primarily due to high initial investment and high maintenance costs for banks deploying conventional ATMs. Moreover, the use of white label ATMs enables banks to expand their ATM network, without going through the complexities involved in setting up ATMs in low footfall areas, thus increasing the popularity of using white label ATMs.

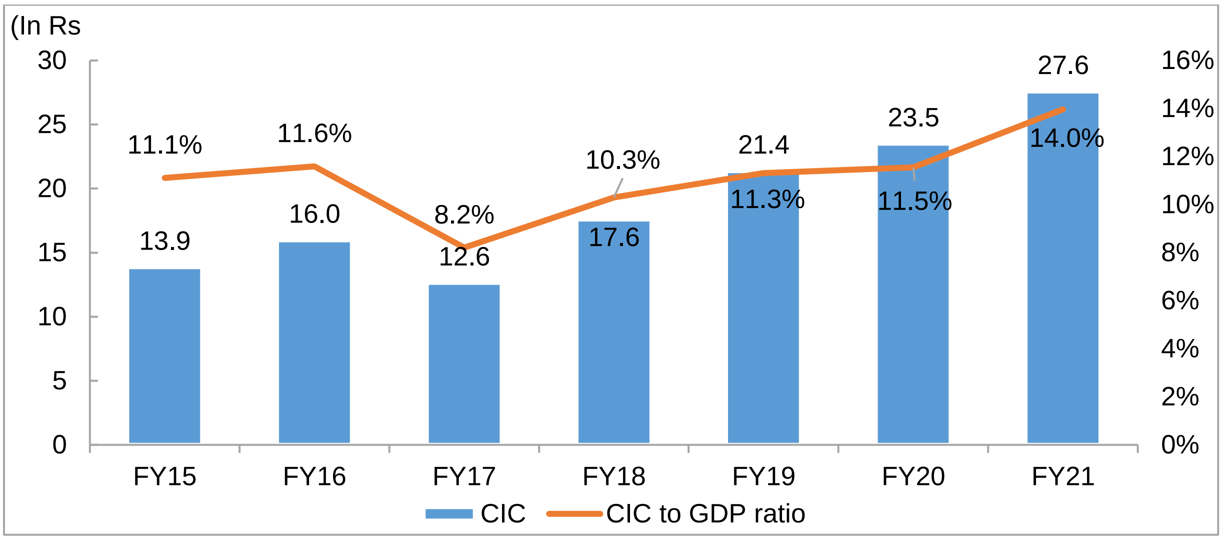
According to Protecting Access to Cash Report (July 2021), published by The House of Commons Library, the United Kingdom, IADs had a share of 57% in total ATMs deployed in the country in calendar year 2020. In other countries such as the United States and Canada, IADs have significant share of over 60% in total ATMs deployed in calendar year 2020. In Australia, share of IADs is around 55-60% in calendar year 2020.

In developing countries such as India, share of IADs total total ATMs deployed in the country was only 10% as of March 2021. In recent years, however, banks have slowed down their own ATM deployment in the country. During Fiscal 2016 to Fiscal 2021, WLAs in India accounted for 35% of incremental ATMs added. Relative lower market share of IADs in developing countries, such as India, presents potential for the IADs in the country to grow in the future.

Overview of the Indian ATM Industry

India is still a cash economy

Despite growth in retail digital payment transactions, cash in circulation in India doubled from Rs. 13.9 trillion at the end of Fiscal 2015 to Rs 27.6 trillion at the end of Fiscal 2021, indicating a predominant presence of cash and preference for usage of cash amongst various sections of the economy. Since Fiscal 2017, cash in circulation has grown at a higher rate year-on-year compared to the nominal GDP growth indicating the significance of cash in the economy. Going forward, CRISL Research expects that growth in cash in circulation will be broadly in line with the growth in nominal GDP in India.



Source: RBI, CRISIL Research

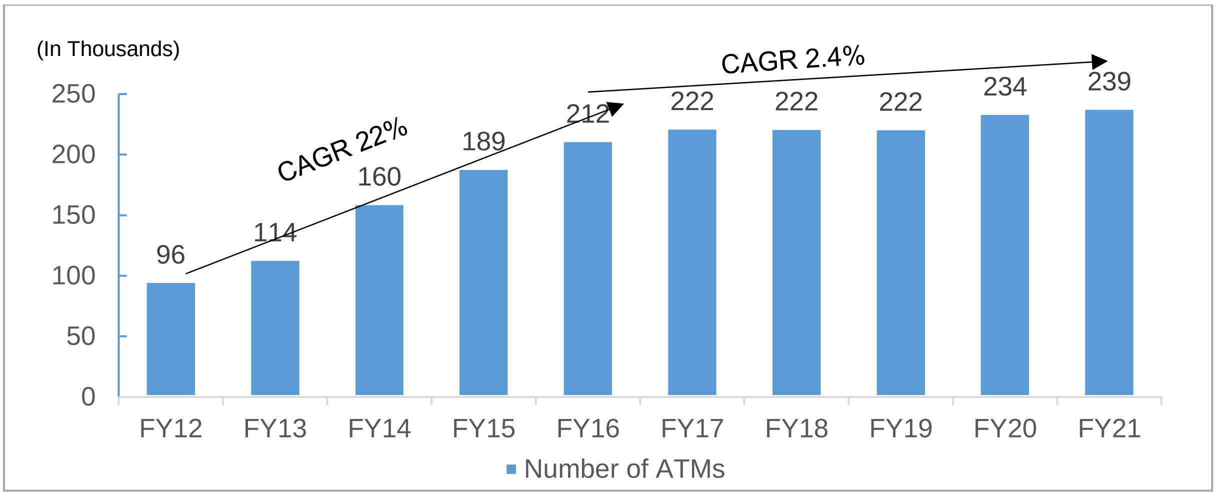
Steady increase in the number of ATMs deployed in the country

As of March 31, 2021, the total number of ATMs deployed in country was 238,588 (excluding cash recyclers). After growing at a strong pace during Fiscal 2012 to Fiscal 2016, the growth of installed ATMs has slowed down significantly to a CAGR of 2.4% between Fiscal 2016 to Fiscal 2021.

This reduction in the pace of deployment of ATMs can be primarily attributed to the following reasons:

- As physical infrastructure alone has ceased to be a source of competitive advantage, banks have slowed down on incremental ATM deployments. Further consolidations of public sector banks (PSBs) has also led to slow down on incredmental ATM deployments.
- Given the relatively low interchange fee (prior to the upward revision from August 1, 2021), many banks found it commercially unattractive to run ATMs for non-bank customers.
- Given the relatively low interchange fee (prior to the upward revision from August 1, 2021), several white label ATM operators also found it commercially unviable to operate the ATMs, given that at least 90 to 100 transactions are required per day to allow the business to be commercially viable.

Number of ATMs deployed in India

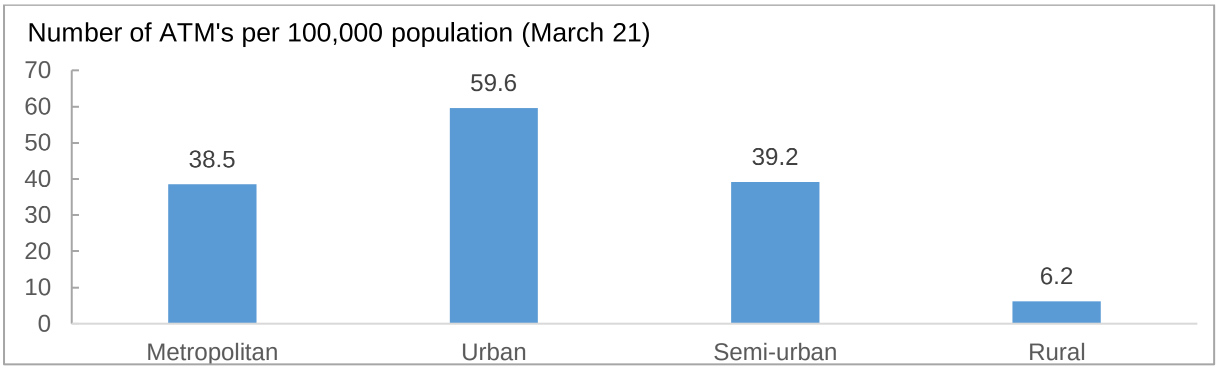


Note: ATM numbers exclude cash recyclers
Source: RBI, CRISIL Research

Low ATM penetration in SURU regions represents a significant growth opportunity

CRISIL estimates that around 865 million people live in rural areas as of March 2021, where bank penetration is low, indicating huge room for financial inclusion and banking services penetration. As of March 31, 2021, rural India has 6.2 ATMs per 100,000 population which is much lower than the urban areas. It is estimated that only one in ten villages have reasonable access to an ATM. CRISIL Research estimates that, as of March 31, 2021, the SURU regions accounted for 75% of India's population while only 48% of ATMs were deployed there. Given the large underbanked population and low ATM penetration, SURU regions represent a significant growth opportunity in the ATM industry.

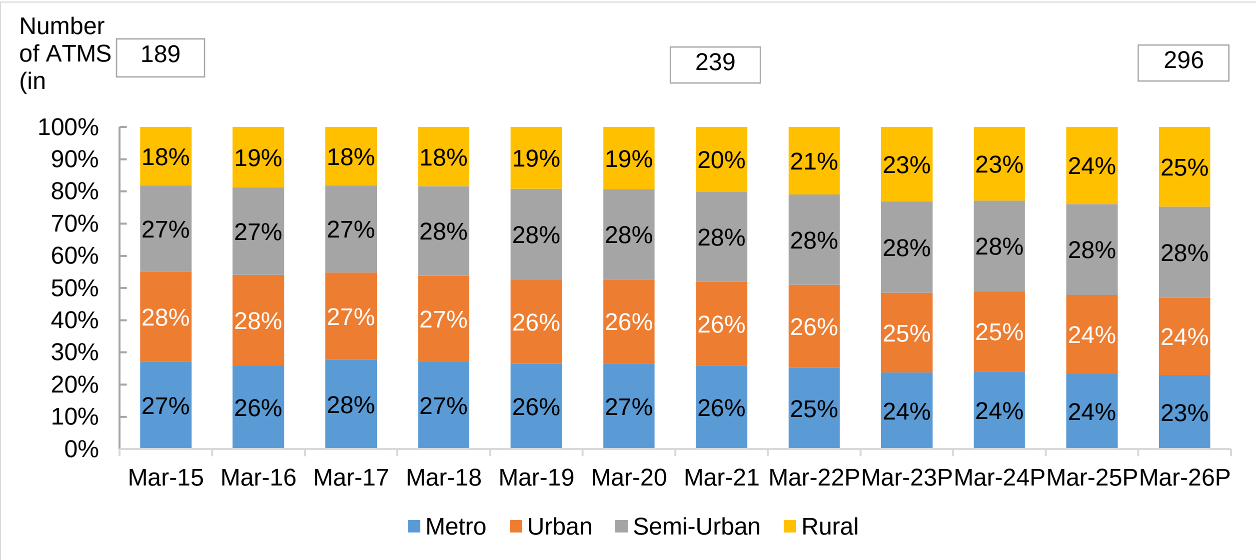
ATM penetration across India



Note: Population classification is as per census 2011
Source: RBI, Census, CRISIL Research

In terms of number of ATM terminals in India, the share of ATMs in the metros and urban areas is gradually declining as penetration of basic banking services increases in the under-penetrated rural and semi-urban areas.

ATMs share in SURU regions

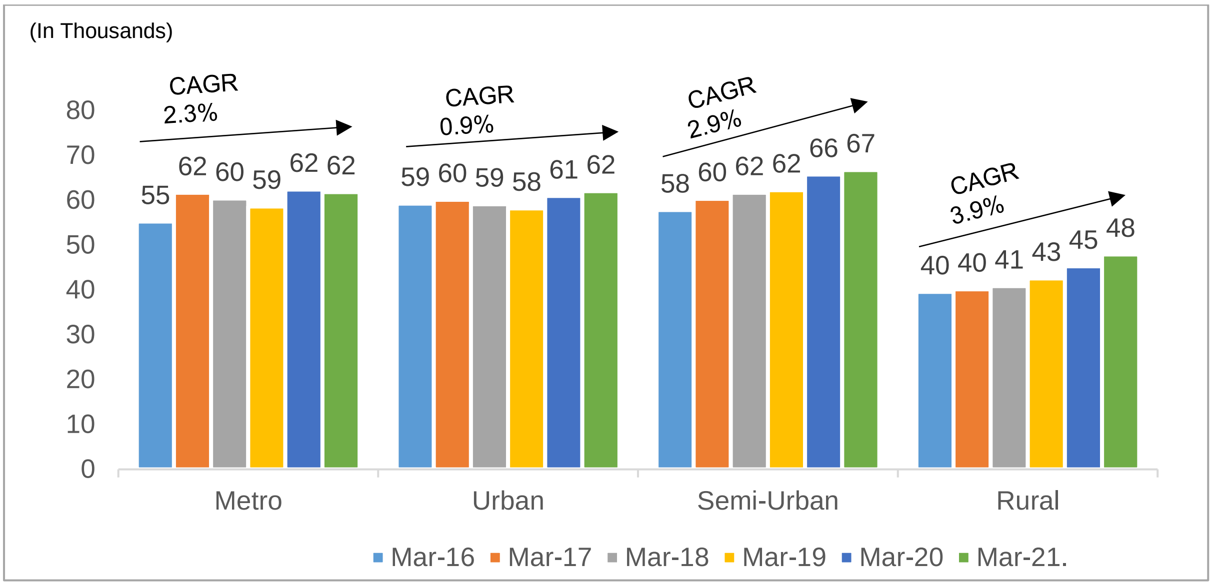


Note: ATM numbers exclude cash recyclers; P: Projected
Source: RBI, CRISIL Research

Growth in installed ATMs largely driven by SURU regions

Between Fiscal 2016 to Fiscal 2021, growth in the number of installed ATMs in India has been largely driven by semi-urban and rural regions, where the number of installed ATMs has grown at a CAGR of 2.9% and 3.9%, respectively, across the period. In contrast, in the metro regions, installed ATMs have been stagnant from Fiscal 2017 onwards.

Number of ATMs deployed in India (Region-wise)



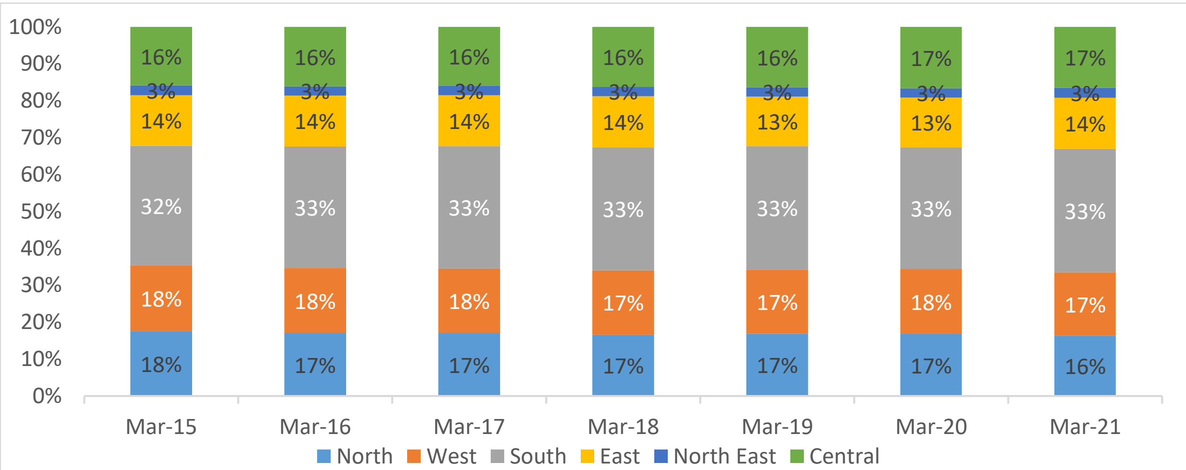
Note: ATM numbers exclude cash recyclers
Source: RBI, CRISIL Research

South region accounts for one-third of total ATMs deployed in country

Banking density is higher in the southern region as compared to the rest of India. South India is also a hub for various industries like information technology, automobile and bancassurance, etc. In terms of ATM deployment, south India leads the industry, with almost double the number of ATMs installed as compared with other regions in India.

As per Census 2011, central and eastern region in India accounts for 25% and 22% of India's population, respectively, yet only about 17% and 14% of ATMs in India are deployed in these regions, respectively.

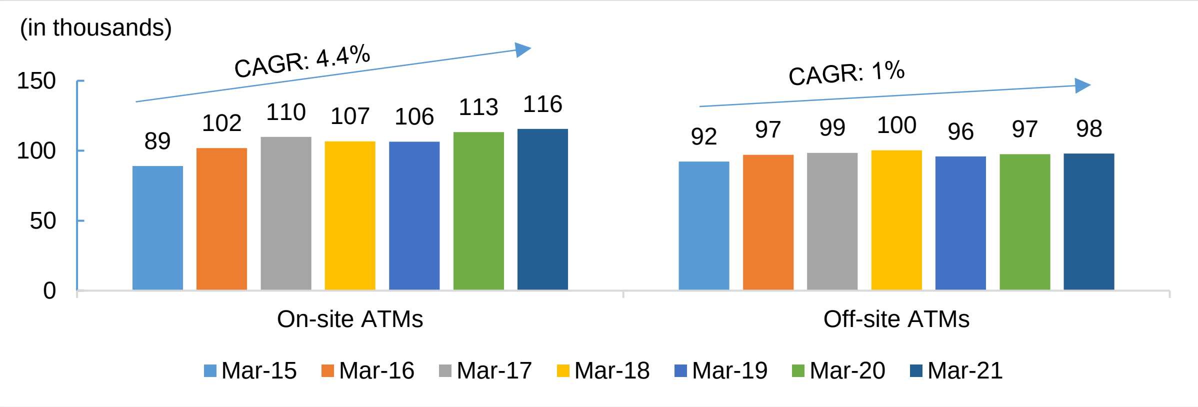
Region-wise ATM deployment in country (March 31, 2021)



Note: 1. Population share is as on 2011.
2. As per RBI classification, Southern region includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Lakshadweep and Pondicherry, Central region includes Chhattisgarh, Madhya Pradesh, Uttarakhand and Uttar Pradesh, Northern region includes Chandigarh, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Delhi and Ladakh, Eastern region includes Bihar, Jharkhand, Odisha, Sikkim, West Bengal and Andaman and Nicobar Islands, Western regions includes Goa, Gujarat, Maharashtra, Daman and Diu and Dadra and Nagar Haveli and North Eastern region includes, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura.Source: RBI, Census, CRISIL Research

Banks on site ATMs have grown by 4% between March 31, 2015 and March 31. 2021

Over the last six years ending Fiscal 2021, ATMs at bank branches have grown at a CAGR of 4%, compared to off-site ATMs which have grown at CAGR of 1%. This indicates that banks are still focussed on deployed ATMs at their branches rather than other off-site locations. CRISIL Research believes that there is an opportunity for other players in the industry, such as white label ATM operators, to build a stronger network of ATMs at non-bank branch locations, especially in rural and semi-urban areas in India.



Note: ATM numbers exclude cash recyclers

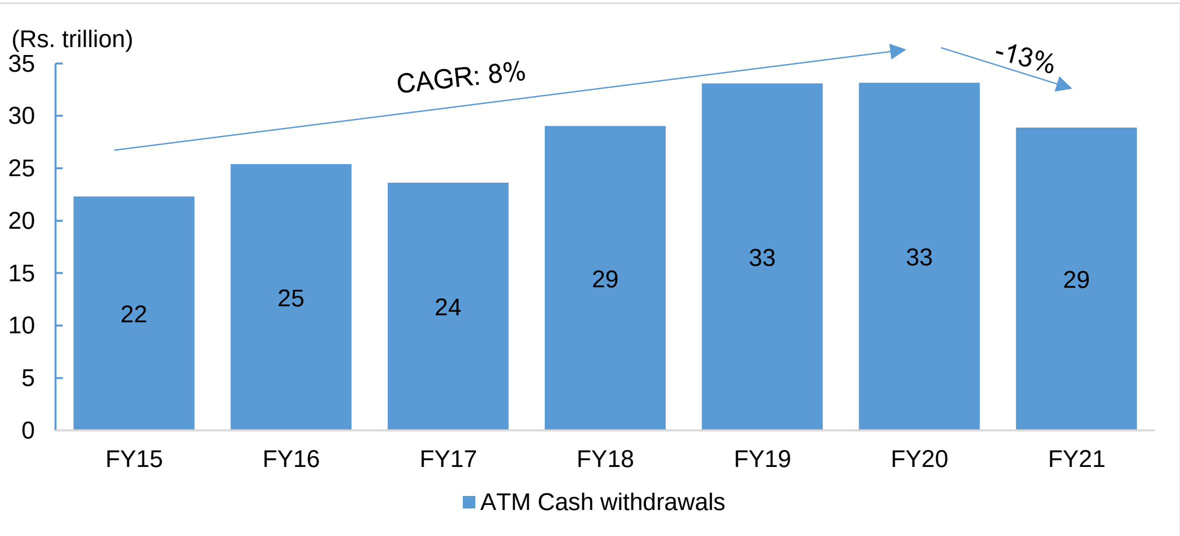
Source: RBI, CRISIL Research

Cash withdrawals from ATMs grew at 8% CAGR over Fiscal 2015 to Fiscal 2020

While there is no doubt that digital payments are gaining popularity, cash still remains a significant mode of doing day-to-day transactions in India, especially in semi-urban and rural areas. The lack of trust in technology, limited awareness, inadequate payment infrastructure and poor network connectivity in these areas has restricted the growth of digital transactions. As a result, cash remains a preferred mode of payment in rural India.

Furthermore, public preference in withdrawing cash has shifted from making large withdrawals and storing extra cash at home to withdrawing cash on an as-needed basis, thereby increasing the number of cash withdrawal transactions. Deposits with banks have also swelled over the last couple of years, which is reflected in the rise in currency in circulation.

ATM cash withdrawal trend

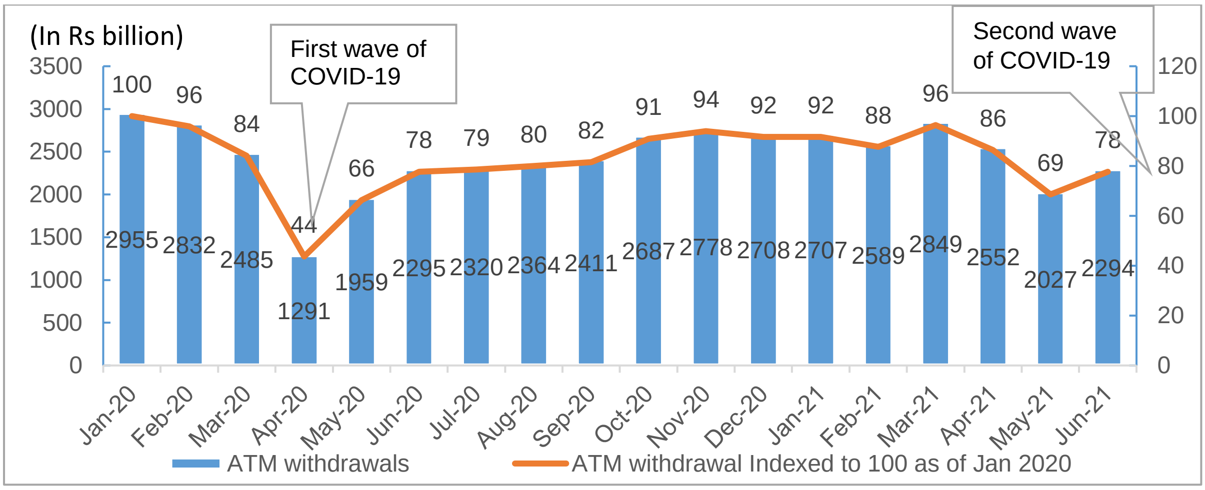


Source: RBI, CRISIL Research

Impact of COVID-19 on cash withdrawals

The COVID-19 pandemic restricted the movement of people and also adversely impacted economic growth. Not surprisingly, cash withdrawals from ATMs plummeted in during the first quarter of Fiscal 2021 due to the nationwide lockdown. Subsequently, with the lockdowns being lifted and COVID-19 cases being reduced, ATM withdrawals started picking up to reach pre-COVID-19 levels. In fact, during the second half of Fiscal 2021, ATM withdrawals were approximately 90% of pre-COVID-19 level as of January 2020. During the April 2021 to June 2021 quarter, cash withdrawals from ATMs again dipped due to the state-wide and localised lockdowns imposed during the second wave of COVID-19. With high-frequency economic indicators indicating a revival of the economy since June 2021, we expect cash withdrawal levels to gradually pick up.

ATM withdrawals during COVID-19



Source: RBI, CRISIL Research

Hike in Interchange fees will increase the ATM deployments in country

From Fiscal 2016 onwards, new ATM deployments have been more or less stagnant, primarily due to (i) the lack of revisions on ATM interchange fees since 2012 and customer charges since 2014 and (ii) the increasing cost of operating ATMs.

The RBI, in June 2021, announced an upward revision in ATM interchange fee and customer charges, having considered the increasing cost of ATM deployment and expenses towards ATM maintenance incurred by banks and white label ATM operators as well as balancing expectations of stakeholder entities and customer convenience. The ATM interchange fee per transaction was increased from Rs. 15 to Rs. 17 for financial transactions and from Rs. 5 to Rs. 6 for non-financial transactions across all regions (metros, urban, semi-urban and rural) with effect from August 1, 2021. To compensate the banks for the higher interchange fee and given the general escalation in costs, the customer charges towards ATM transactions have also been increased from Rs. 20 to Rs. 21 per transaction. This increase shall be effective from January 1, 2022.

This initiative was recommended by RBI Committee constituted in July 2019 with an aim to review the entire range of ATM charges and fees with particular focus on interchange structure for ATM transactions.

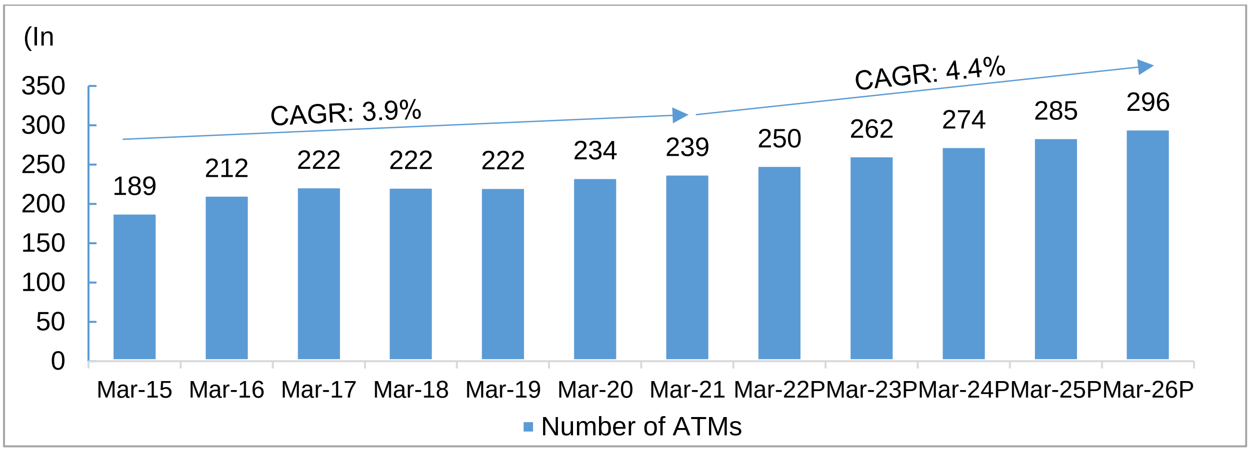
Type of Transactions	**Old interchange fee**	**Fee recommended by RBI Committee**		**Fee announced by RBI (applicable from August 1, 2021)**
		For centers with populations with 1 million and above	**For centers with populations less than 1 million**	
Financial	Rs 15/-	Rs 17/-	Rs 18/-	Rs 17/-
Non-Financial	Rs 5/-	Rs 7/-	Rs 8/-	Rs 6/-
All charges are excluding taxes				

Source: RBI Committee Report dated October 2019, CRISIL Research

The increase in ATM interchange fees coupled with various structural growth drivers (such as increased spending by consumers on retail purchases, low ATM penetration in India compared to other countries, rise in the number of debit cards issued, higher flows through Direct Benefit Transfer (DBT) leading to rise in demand for outlets for withdrawals, and higher demand for ATMs for cash withdrawal in SURU regions) is expected to increase the incentive for industry players to increase of number of ATMs deployed.

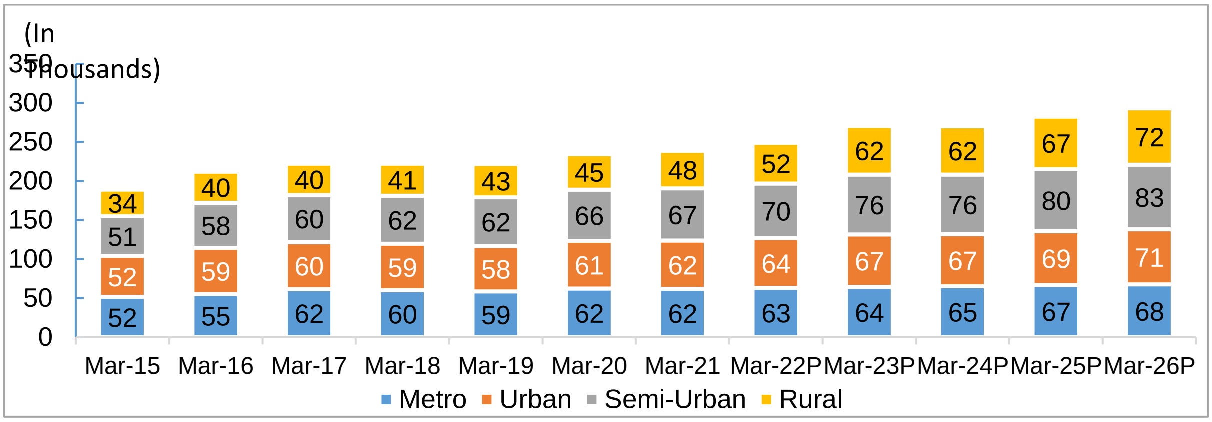
CRISIL Research projects the number of ATMs installed in India to reach 296,000 by March 31, 2026, translating into net addition of 57,000 deployments over a five-year period ending Fiscal 2026. In comparison, around 27,000 ATMs were added in the previous five-year period ending Fiscal 2021. Most of these deployments are expected to take place in semi-urban and rural areas, with these regions expected to witness additional of approximately 17,000 and 25,000 ATMs, respectively, during Fiscal 2021 to Fiscal 2026.

ATMs deployed in India to grow at 4.4% CAGR between March 31, 2021 and March 31, 2026



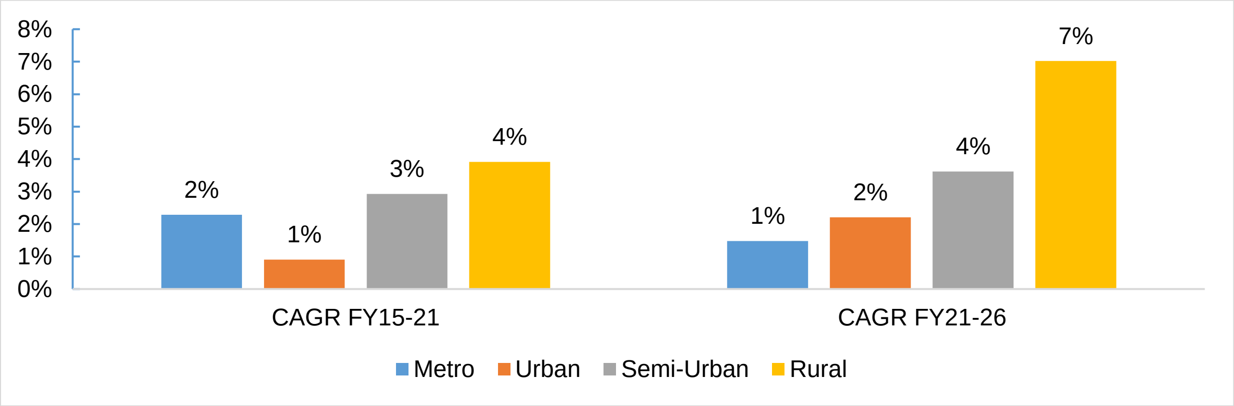
Note: ATM numbers exclude cash recyclers; P: Projected
Source: RBI, CRISIL Research

ATMs in SURU regions to capture market share between March 31, 2021 and March 31, 2026



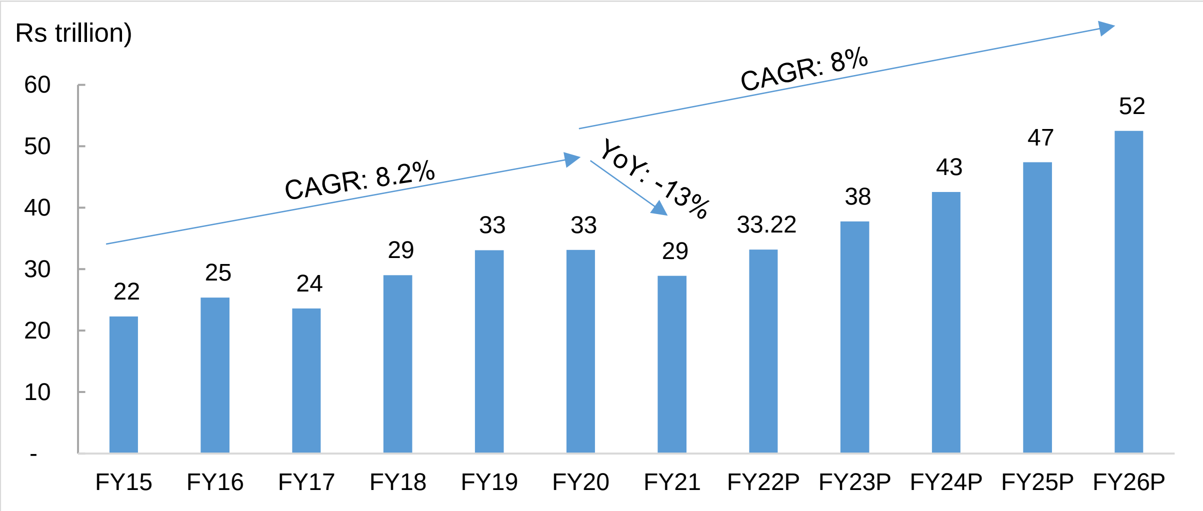
Note: ATM numbers exclude cash recyclers; P: Projected
Source: RBI, CRISIL Research

ATMs in SURU regions to grow at highest CAGR between March 31, 2021 and March 31, 2026



Along with the expected growth in ATMs deployed in the country, cash withdrawal transactions are also expected to grow.

Cash withdrawal transactions to grow at 8% CAGR between Fiscal 2020 and Fiscal 2026



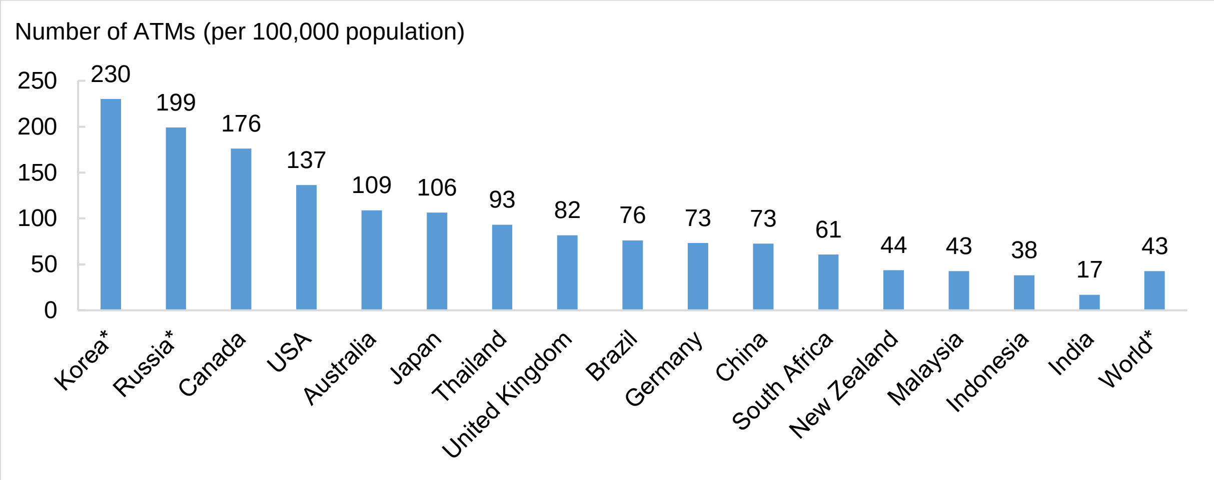
Note: P-Projected
Source: RBI, CRISIL Research

Key growth drivers of the Indian ATM industry

Significant under-penetration in Indian ATM deployment

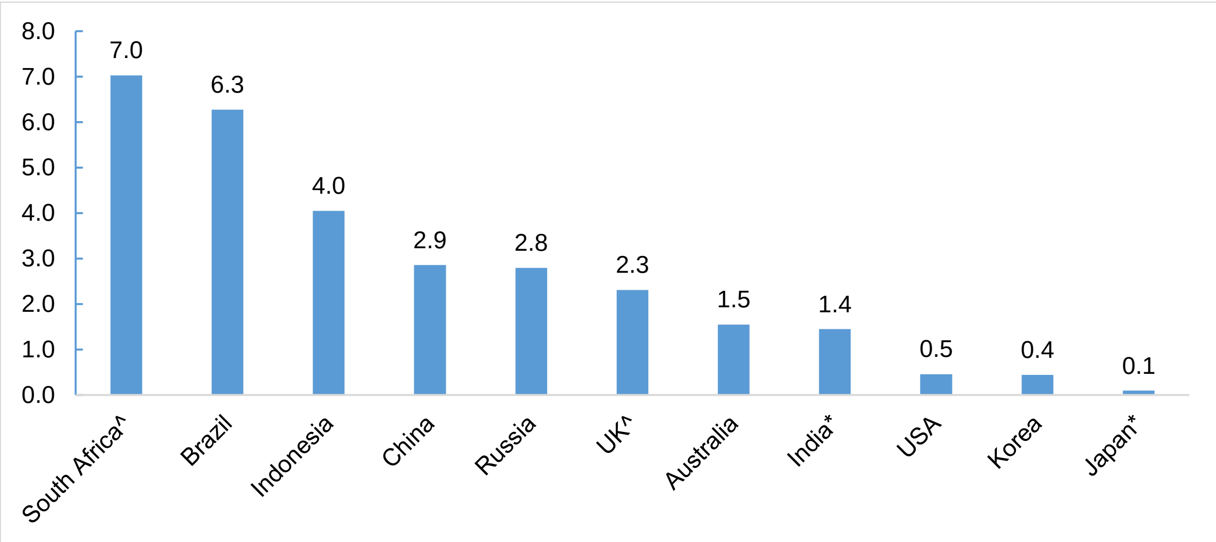
According to CRISIL Research, the expected increase in number of ATMs in under-penetrated countries will propel future growth in the global ATM industry. Among major economies, India has the lowest penetration of ATM terminals. Accordingly, the ATM withdrawal transactions in India are also among the lowest in major economies. Low penetration in number of ATM terminals and ATM withdrawal transactions in India provides significant potential for growth of the ATM industry in India, especially in semi-urban and rural regions of the country where accessibility of banking services is still relatively low.

Number of ATM terminals (per 100,000 adults) (2020)



*Note: * Data for 2019*
Source: Company Reports, IMF, World Bank, BIS, RBI, House of Commons Library, UK, European Association for Secure Transactions (EAST), CRISIL Research

ATM withdrawals to cash in circulation Ratio



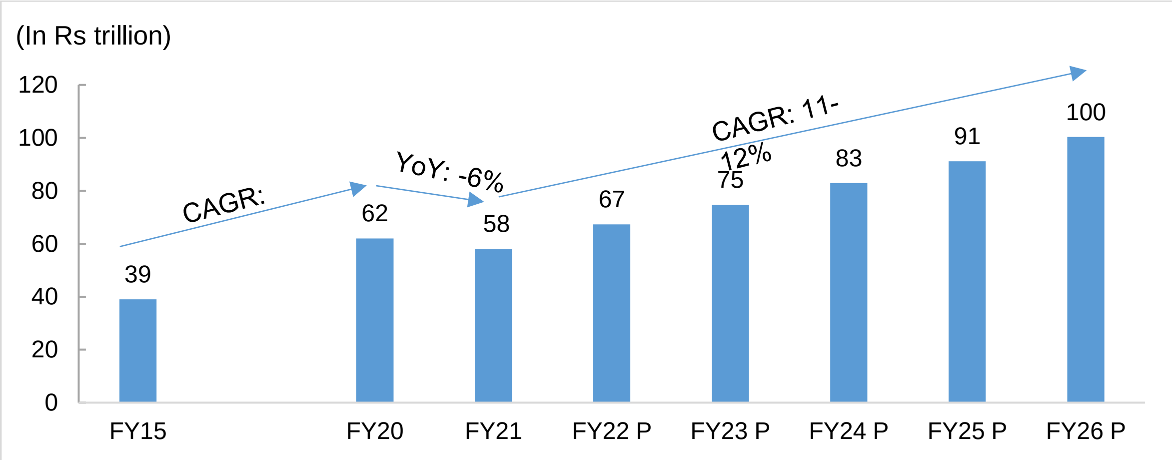
Note: (*) Data as of end of March 2020 is used for CIC and data for 2019 is used for ATM withdrawals, (^) Data as of end of February of next calendar year is used for CIC data for 2019 is used for ATM withdrawals
Source: Bank of International Settlements, CRISIL Research

Growth to be driven by increasing retail spending by consumers

A majority (estimated to be 88%) of the retail industry in India is unorganized and most of the retail spending in rural and semi-urban areas happens through unorganized retail stores. CRISIL Research estimates that about 85-90% of the retail transactions (in value terms) in the unorganized retail segment at a pan-India level currently take place using cash. In small unorganized stores located in semi-urban and rural areas, the proportion of cash payments are estimated to be much higher than this nation-wide average.

Overall retail spends on goods are expected to witness a 15-17% growth in Fiscal 2022, on account of a low base, a full year of store operations, higher discretionary spending and waning impact of the pandemic. In the long run, CRISIL Research projects the overall retail sector in India to grow at a CAGR of 11-12% between Fiscal 2021 to Fiscal 2026.

Overall retail market to grow at 11-12% CAGR over Fiscal 2021 to Fiscal 2026

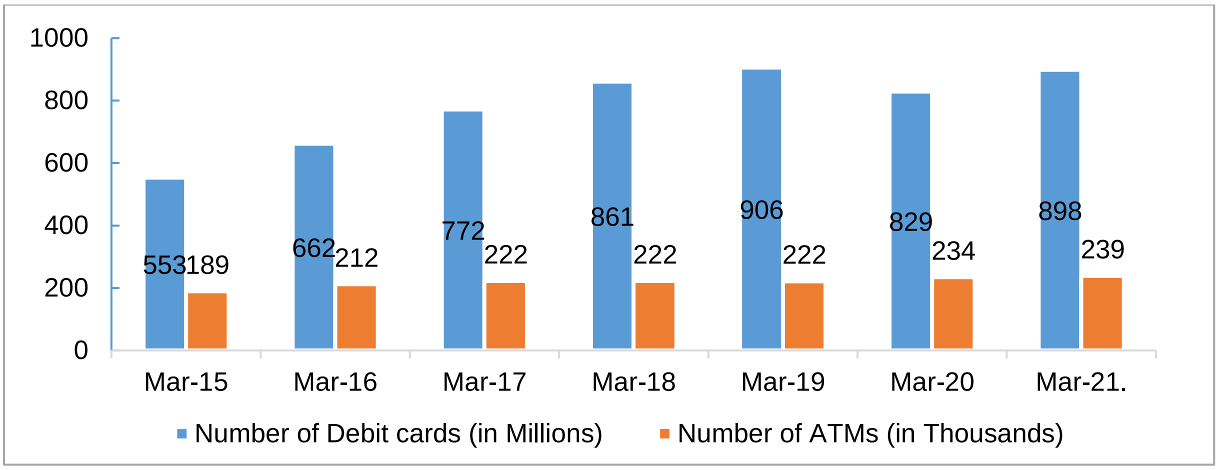


Note: E: Estimated, P-Projected
Source: CRISIL Research

Growth to be driven by increasing debit cards issued

In India, the number of debit cards issued by banks grew at a CAGR of 13% between Fiscal 2015 to Fiscal 2019, whereas the number of ATMs grew at a CAGR of 4% during the same period. In Fiscal 2020, the number of debit cards issued declined slighly due to transition effect from the RBI's directive to migrant from magetic strip debit cards to chip-based cards. In fiscal 2021, the number of oustanding debit cards had increased to reach the Fiscal 2019 level. The increase in number of outstanding debit cards is expected to lead to an increase in demand for ATMs, thereby supporting the increase in ATM deployments in the country.

Number of outstanding Debit cards in India

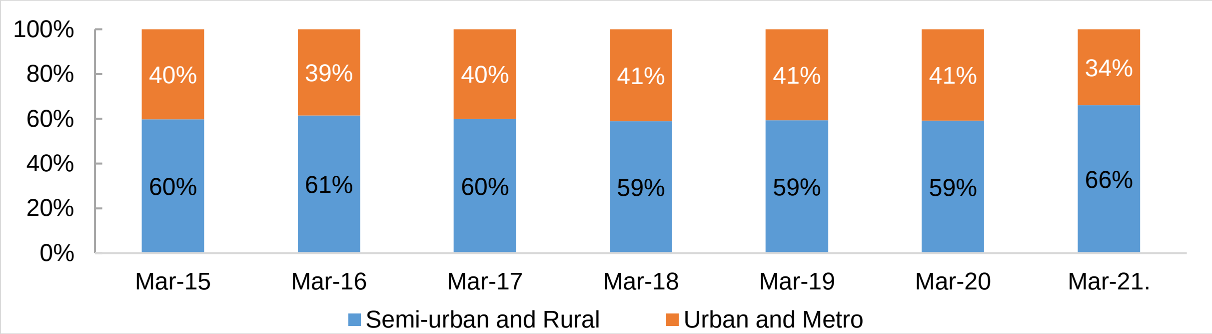


Note: ATM numbers exclude cash recyclers
Source: RBI, CRISIL Research

Growth to be driven by financial inclusion initiatives

The demand for ATM services in the SURU regions is driven, in part, by the GoI's policies and focus on financial inclusion. Ru-pay cards gained lot of traction through PMJDY launched by the GoI. As of March 31, 2021, 603.6 million Ru-pay cards were issued, of which around 50% (i.e., 303 million Ru-pay cards) were issued through PMJDY accounts. The majority of these accounts are based in SURU regions. The growth in Ru-pay debit cards along with PMJDY accounts brings the previously unserved banking customers to mainstream; as a result, ATMs footfall is expected to increase in remote areas of country.

Population group-wise Ru-pay cards issued

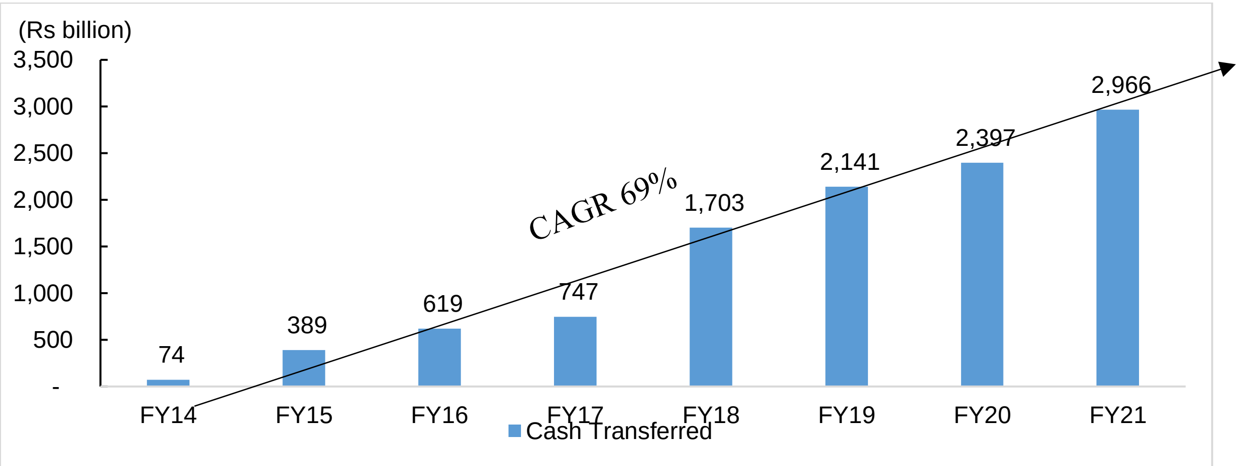


Source: RBI, CRISIL Research Estimate

Growth to be driven by increase in direct benefit transfers

As of end of Fiscal 2014, only 28 schemes were covered under direct-benefit transfer ("**DBT**") mechanism, where the payments were directly deposited into the bank account of the beneficiaries. This has grown to 318 schemes as of the end of Fiscal 2021. Benefit transfer in form of cash through the DBT mechanism has increased from approximately Rs. 2,141 billion in Fiscal 2019 to Rs. 2,397 billion in Fiscal 2020 to Rs. 2,966 billion in Fiscal 2021. These inflows are driving demand for cash in SURU regions and in tier 5- and tier-6 towns and villages where beneficiaries reside. CRISIL Research expects the flow of funds into the bank accounts of beneficiaries through DBT will support growth in footfall of ATMs in SURU regions.

Amount transferred to beneficiaries through DBT



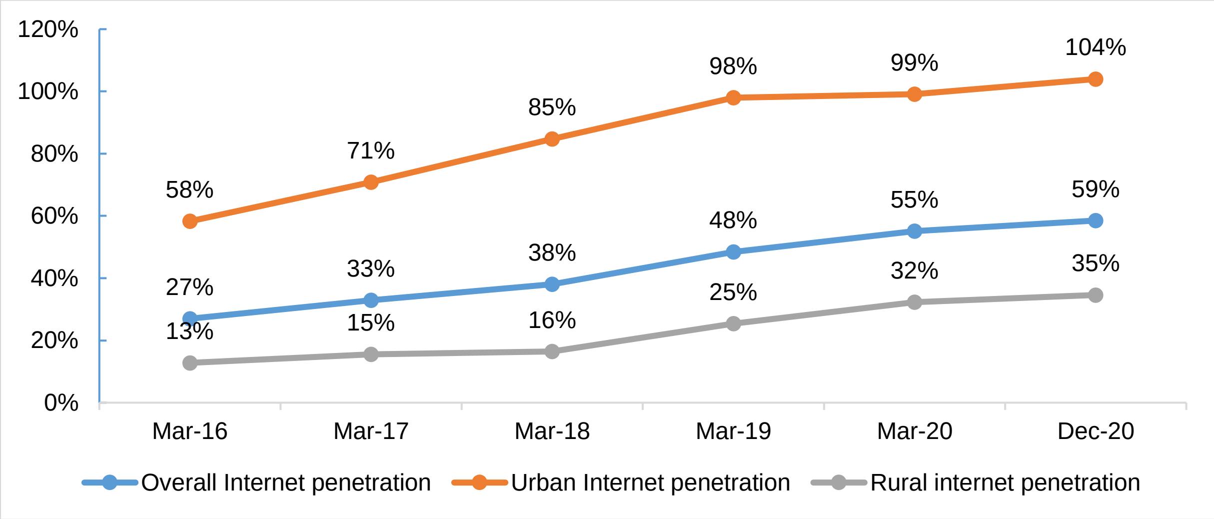
Source: DBT website; CRISIL Research

Lower Mobile and Internet penetration in rural India will drive growth in SURU regions

India has witnessed a surge in internet users over the past few years with internet penetration as a percentage of total population reaching 60% in Fiscal 2021 compared to less than 30% in Fiscal 2016. This growth has largely been fuelled by the availability of smartphones at cheaper price points and availability of 4G connectivity at affordable prices. While internet penetration in urban areas have crossed 100% in rural areas, the penetration is still below 40%.

The lower penetration rates for mobile and internet users in rural India creates a higher demand for physical financial infrastructure like ATMs. CRISIL Research believes that ATMs will continue to subsist with non-cash forms of transactions in the SURU regions even as mobile and internet penetration increases.

Internet penetration continues to increase



Source: TRAI, CRISIL Research

Inflows from migrant workers will continue to increase ATM footfall in SURU regions

Another driver of cash and ATMs usage in the SURU regions has been the influx of migrant workers into cities and metro areas who return money to their homes and families in rural areas. As per census 2011, there are over 100 million migrant workers in India who regularly send money to their families in rural areas.

Overview of the White Label ATMs Industry

Evolution of white label ATMs in India

Until 2012, only banks were permitted to set up Automated Teller Machines (ATMs) in India. According to RBI, as of March 2012, the number of ATMs deployed in the country were 95,686, with almost 70% of the ATMs deployed in urban and metro areas. With an objective to expand the ATM network in unbanked and underbanked regions of the country, in June 2012, RBI decided to permit non-bank entities to set-up, own and operate ATMs in India. The primary objective of permitting non-banks to operate white label ATMs ("WLAs") was to enhance the spread of ATMs in semi-urban and rural areas where bank-owned ATM penetration was not growing.

The RBI guidelines stated that non-bank entities incorporated in India under the Companies Act, 1956 will be permitted to set up, own and operate ATMs in India. Prospective operators or applicants were required to seek authorisation from the RBI under the Payment and Settlement Systems (PSS) Act, 2007. For setting up WLAs, the minimum net worth criteria for entity was set at Rs. 1,000 million as per the applicant's latest financial year's audited balance sheet.

In 2013 and 2014, RBI issued Certificate of Authorisation to eight non-bank entities for setting up and operating WLAs in India. However, as of July 2021, only four players remain in the industry – namely, India1 Payments Limited (formerly known as BTI Payments Private Limited), Tata Communications Payment Solutions Limited, Hitachi Payment Services Pvt. Ltd. and Vakrangee Limited.

List of players in the WLA segment

Entity	Month and Year of Issuance of Certificate	Current Status as of July 2021
Tata Communications Payment Solutions Limited	May 2013	Operational
Hitachi Payment Services Pvt. Ltd.	November 2013	Operational
Vakrangee Limited	January 2014	Operational
India1 Payments Limited	February 2014	Operational
Muthoot Finance Limited	February 2014	Authorisation under process of cancellation as the company surrendered its certificate of Authorisation in 2020 due to mounting losses

Entity	Month and Year of Issuance of Certificate	Current Status as of July 2021
SREI Infrastructure Finance Limited	May 2014	Operations ceased as the company surrendered its certificate of Authorisation in 2018 due to viability issues
RiddiSiddhi Bullions Limited	May 2014	RBI revoked the certificate of Authorisation in March 2021 due to Non-compliance with regulatory requirements
AGS Transact Technologies Ltd	June 2014	RBI revoked the certificate of Authorisation in March 2021 due to Non-compliance with regulatory requirements

Source: RBI, CRISIL Research

White Label ATMs expected to grow at 17% CAGR between March 2021 and March 2026

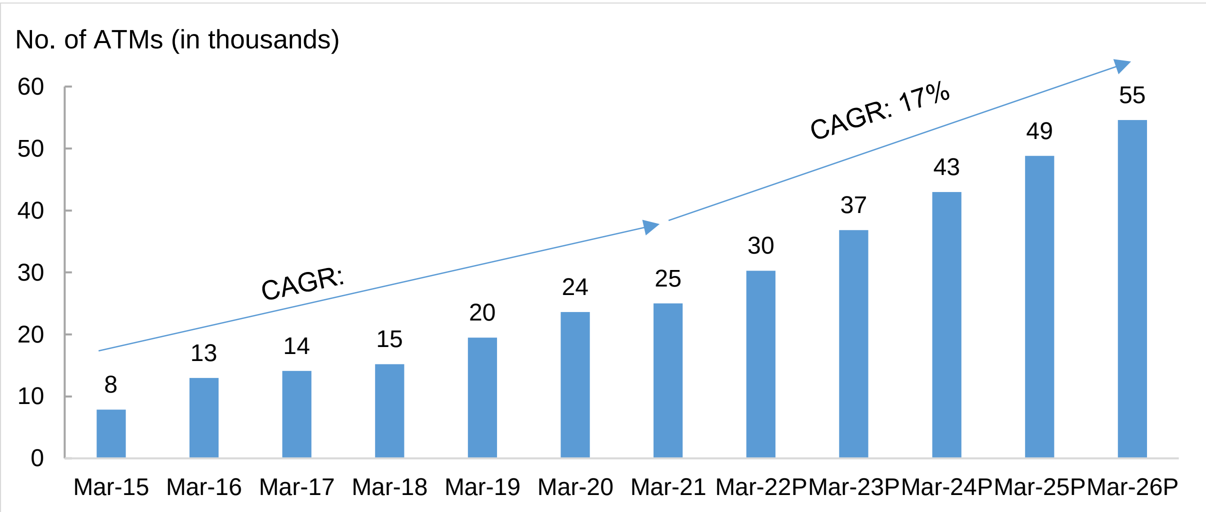
White label ATMs are owned by non-banking entities that set up and operate their own ATMs, also known as white label ATM operators (or WLAOs). WLAOs facilitate financial inclusion by providing basic financial services by deploying ATMs in under-banked and unbanked areas. WLAOs charge an interchange fee to banks for each transaction made by the bank customer at the white label ATMs. These are also known as Independent ATM Deployers ("IADs") in other parts of the world.

In India, ATMs deployed by WLAOs reached over 25,000 in number with a strong CAGR of 21% between March 2015 and March 2021.

In June 2021, RBI reviewed the ATM interchange fees for ATM transactions and allowed increase in interchange fee per transaction from Rs. 15 to Rs. 17 for financial transactions and from Rs. 5 to Rs. 6 for non-financial transactions in all regions, from August 1, 2021. This presents as a huge incentive for WLAOs to deploy more ATMs in the country, especially in rural and semi-urban areas, where the penetration is lower.

Owing to (i) low ATM penetration in the country especially in rural and urban areas, (ii) increasing accessibility of banking services in rural and semi-urban areas, and (iii) increasing debit and credit card penetration, the number of ATM terminals deployed by WLAs are expected to witness a strong growth over the next three years. CRISIL Research expects the number of ATMs deployed by WLAs to grow at a CAGR of 17% between March 2021 and March 2026, to reach 55,000 by March 2026.

ATMs deployed by WLAs have grown at a 21% CAGR over last six years



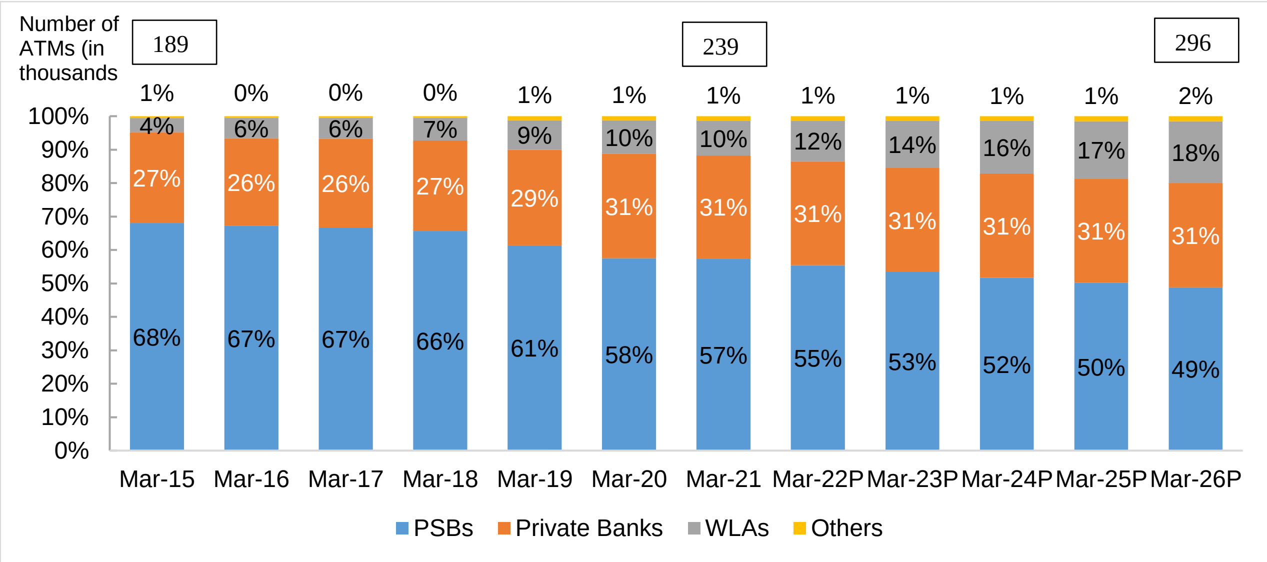
Note: ATM numbers exclude cash recyclers; P-Projected
Source: RBI, CRISIL Research

Share of WLAs in total ATMs deployed to continue to increase

In India, the share of IADs or WLA operators in the ATM industry has been on an increasing trend over past six years, increased from 4.2% as of March 2015 to 10.5% as of March 2021. In recent years, banks, especially public sector banks (PSBs), have slowed down ATM deployment in the country. Most of the growth in future in ATM deployment is expected to come from rural and semi-urban regions. With highest focus on these regions, this provides huge opportunity and potential for the WLA operators in the country to deploy more ATMs and increase their market share.

In the future, CRISIL Research expects that while banks focus to serve their customers in more efficient manner, they would be more inclined to work with WLAOs for ATM usage, instead of deploying ATMs on their own. The share of WLAs is expected to improve going forward, as financial penetration in rural and semi-urban regions increases and banks slow down own ATM deployment due to high investment and maintenance costs. Recent RBI decision to increase the interchange fee has also provide incentive for WLAOs to deploy more ATMs. CRISIL Research expects that, as of March 31, 2026, WLAs will account for 18% of the total ATMs deployed in the country.

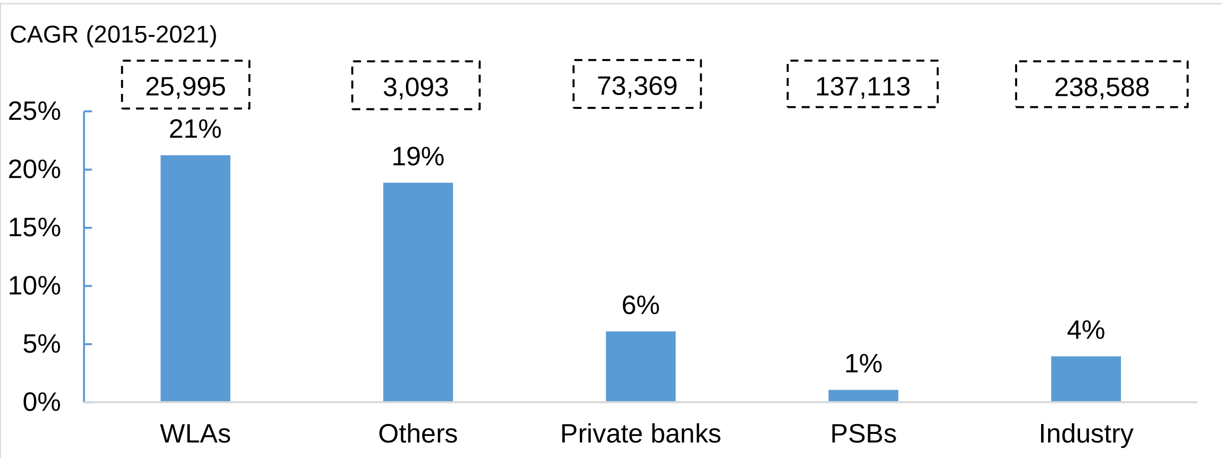
WLAs projected to account for 18% of ATMs in India by Fiscal 2026



Note: ATM numbers exclude cash recyclers. Others includes foreign banks, SFBs and Payments Banks
Source: RBI, CRISIL Research

Over the last six years, WLAs deployed in the country have grown at the fastest CAGR of 21% compared to overall ATMs deployed which grew at a 4% CAGR. PSBs, which also have higher focus on rural and semi-urban areas, grew their ATMs deployed by only 1% between March 2015 and March 2021.

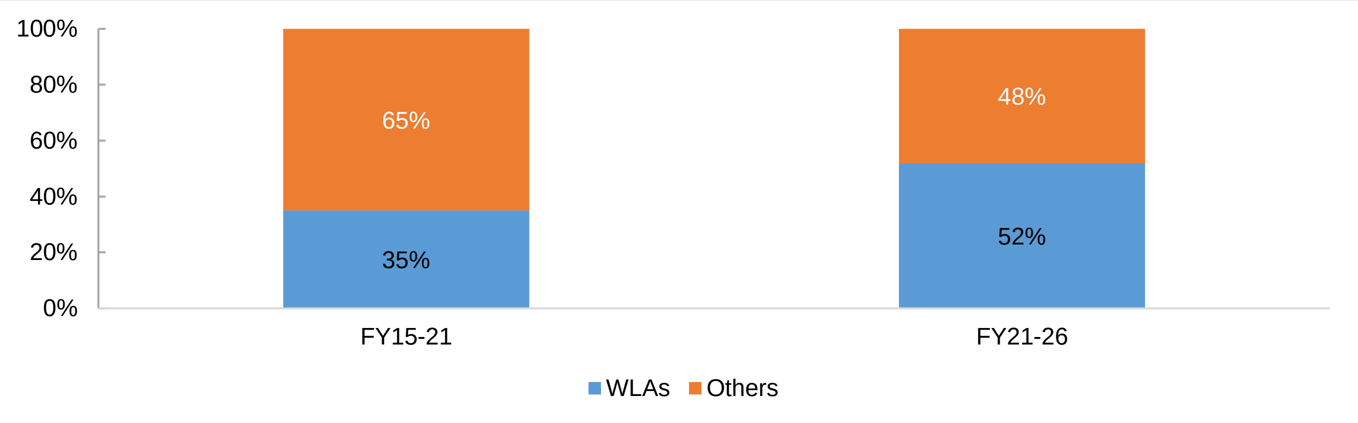
Growth in ATM terminals deployed by various player groups



Notes ATM numbers exclude cash recyclers.: Others include foreign banks, small finance banks and payments banks
Source: RBI, CRISIL Research

During Fiscal 2016 to Fiscal 2021, WLAs accounted for 35% of incremental ATMs added during the period. Going forward, the share of WLAs in incremental ATMs deployed is expected to reach 52% during Fiscal 2021 to Fiscal 2026, as banks are likely to be extremely selective while deploying ATMs.

Share of in incremental ATMs added

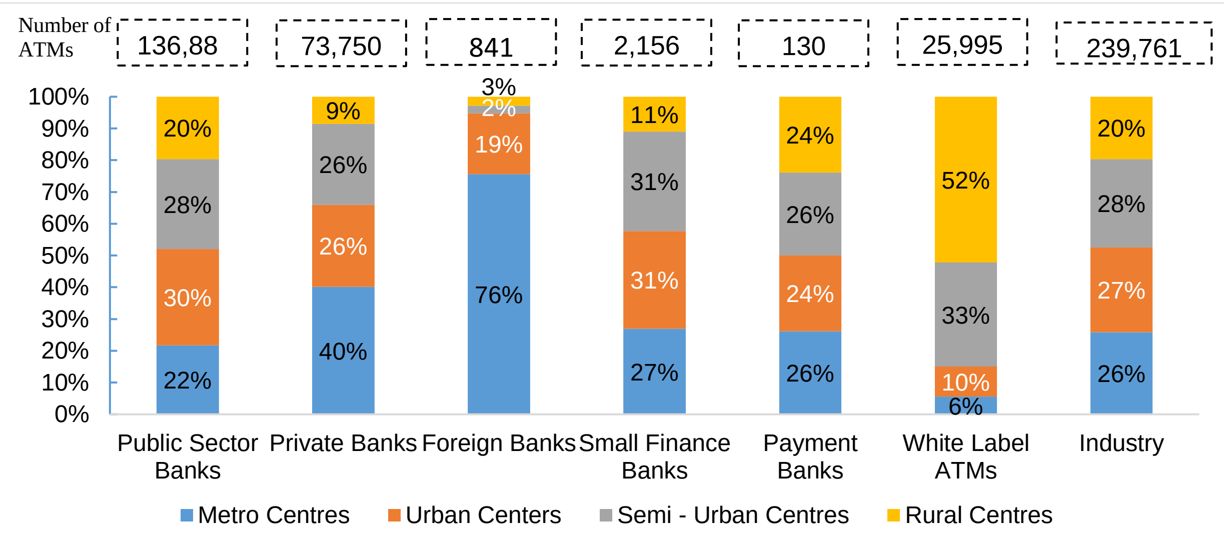


Note: P-Projected
Source: CRISIL Research

Higher focus of WLA operators on SURU regions to drive growth

Among all the players in the Indian ATM industry, WLA operators have the highest focus on semi-urban and rural areas, with 85% of ATMs deployed in these areas (as compared to industry average of 48%). Among other major players, public sector banks have higher focus in SURU regions with 48% of ATMs deployed in these areas. Private sector banks have relatively lower focus on SURU regions.

White label ATM operators highly focus on Semi-urban and rural areas (June 2021)

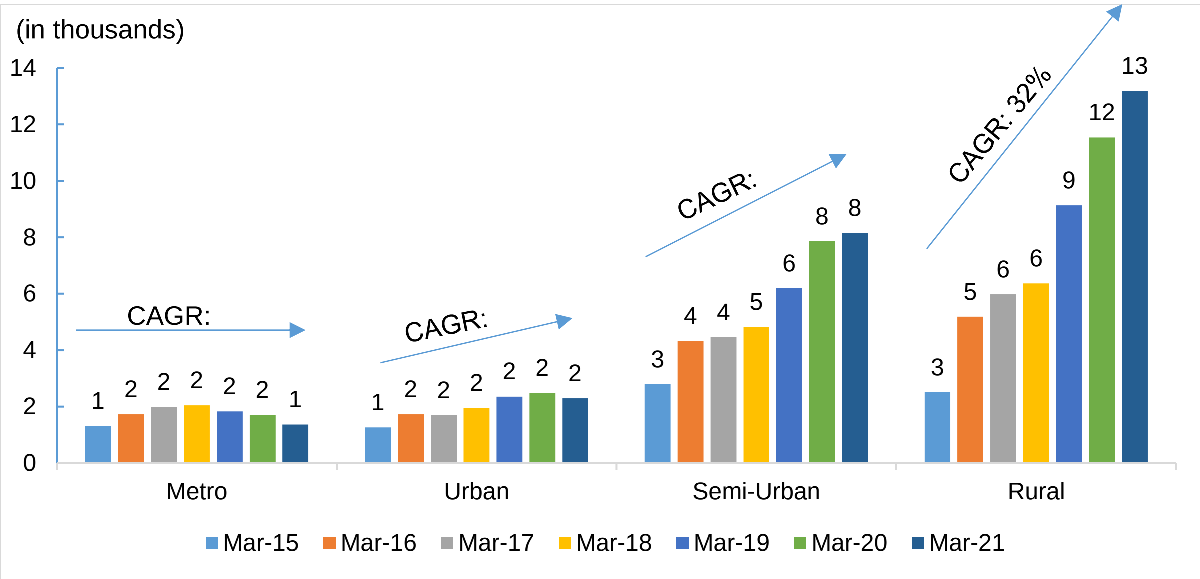


Note: ATM numbers exclude cash recyclers.

Source: RBI, CRISIL Research

Between March 2015 and March 2021, WLAs deployed in rural and semi-urban areas have grown the fastest at CAGR of 20% and 32%, respectively. SURU regions, being underpenetrated in terms of banking infrastructure, are expected to drive future growth as well.

WLA ATM deplyments have grown the fastest in semi-urban and rural areas

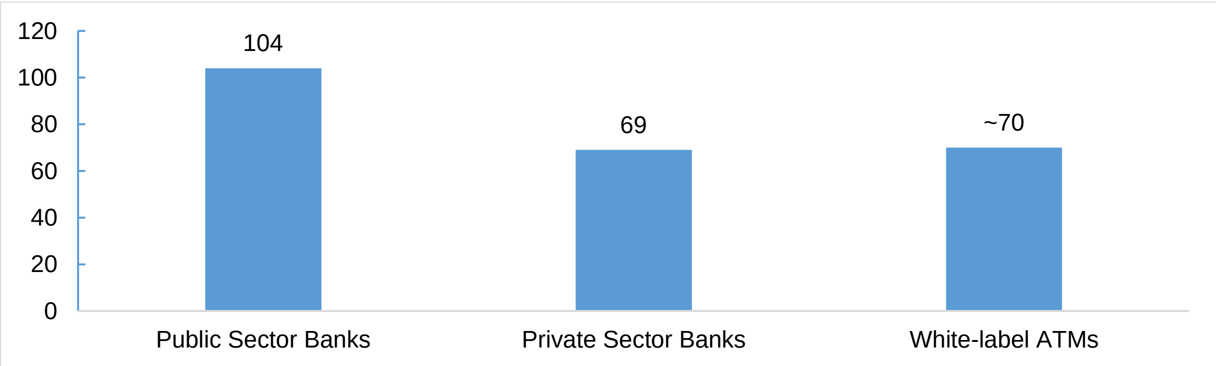


Source: RBI, CRISIL Research

Transactions per ATM for WLAs second highest after public sector banks

According to the RBI Committee report dated July 2020, the overall cost of operating the ATMs is lower for WLA operators, when compared to other players like public sector banks, private sector banks and Brown-label ATM operators. However, relatively lower transactions per ATM lead to relatively higher average cost per transaction compared to public sector banks and BLAOs. With ATM transactions increasing over a period of time as the age an ATM at a location increases, the cost per transaction is likely to go down, thereby benefiting the WLA operators in the country.

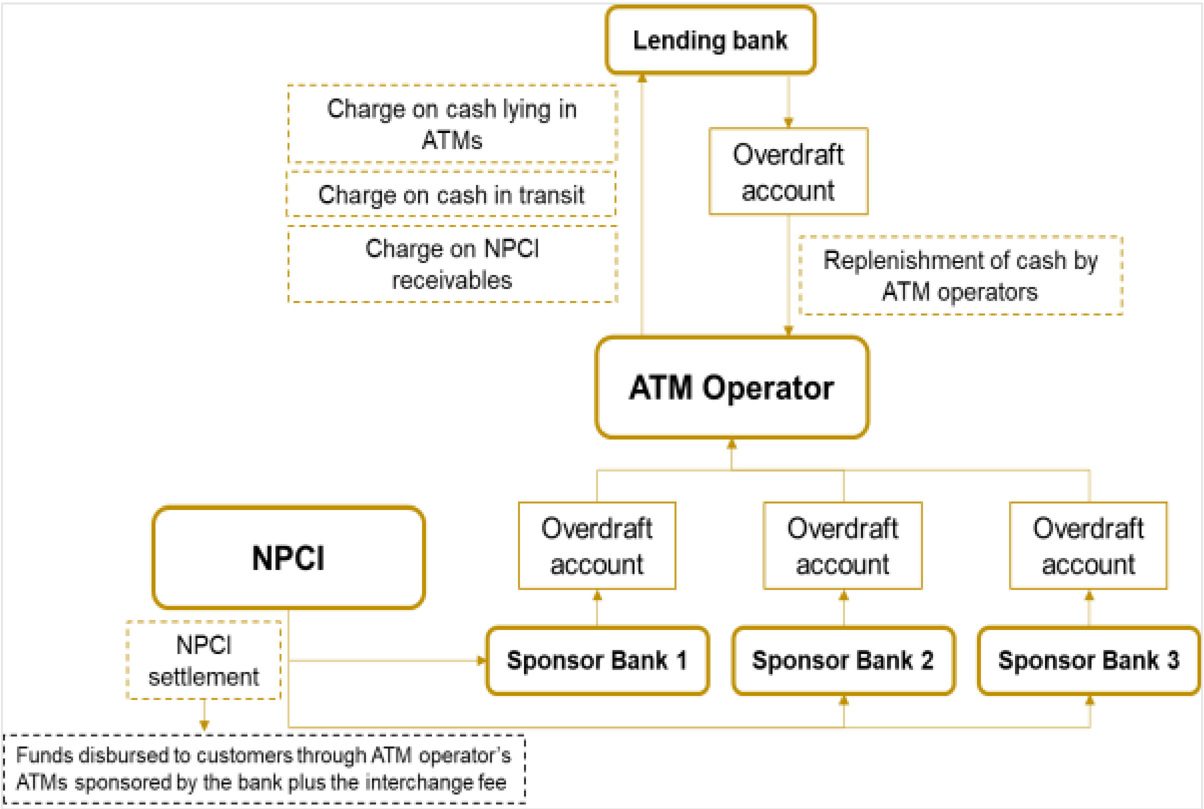
Transactions per ATM per day



Note: Calculations are based on monthly data for FY20, FY21 and Q1FY22
Source: RBI, Industry, CRISIL Research estimates

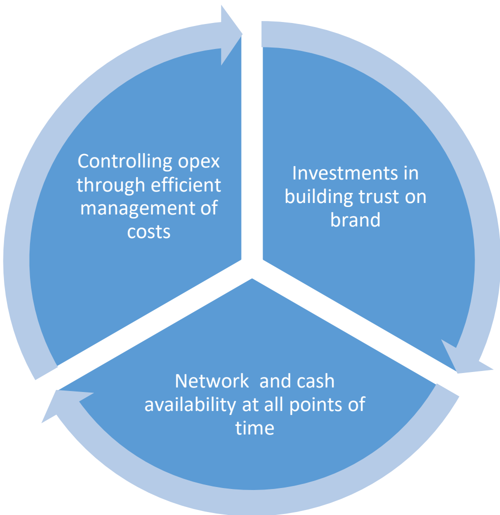
Operations of White Label ATM operators

In the operations of WLAOs, there are four intermediaries involved in the entire transaction process. The WLAO operates through a lending bank, a sponsor bank that manages settlements, and an ATM network provider like NPCI.



Source: Company Reports, CRISIL Research

Critical Success Factors for WLAs



Source: CRISIL Research

Investments in building trust on the brand

White Label ATM operators operate under a B2B business model by entering into partnerships with banks. However, the revenue and profitability are heavily dependent on the volume of transactions at WLAs. Hence, a WLA operator also needs to build connect with the end-customers, like in a B2C business model. Connecting with potential customers, building awareness and trust in the customer about the safety and convenience of WLAs is as important as building relationship with sponsor banks. Strong focus on investments directed at building customer trust towards the brand helps WLA operators to attract customers, footfall at ATMs and thereby revenues.

Network and cash availability at all points of time

Given the competitive nature of the industry, WLA operators need to develop a strong network of ATMs in their target markets for deeper penetration and optimum servicing. To ensure customer satisfaction, availability of the ATM network at all points of time and adequate cash replenishment at the ATMs are critical factor to success.

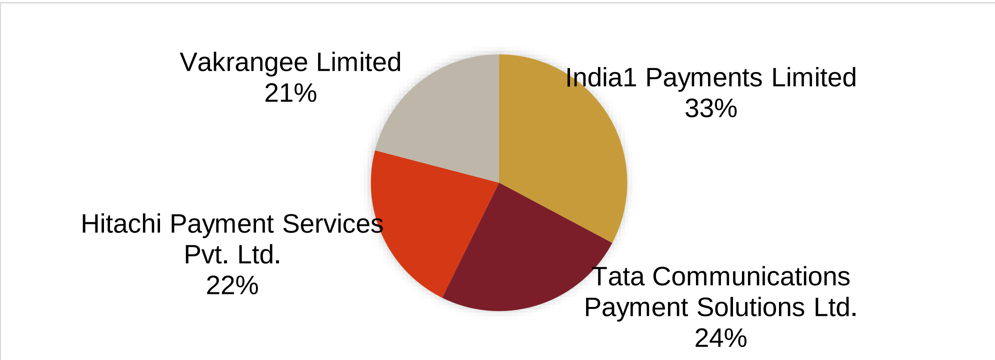
Controlling operating expenditure through efficient management of costs

While volumes drive the revenue for players in the ATM industry, it is still critical for ATM operators to manage costs effectively. To drive revenue, operators need to continue to add ATMs to expand their networks. In light of that and also the time required for a new ATM to break even, it is important that costs are managed in an efficient manner by outsourcing activities as required to enable an ATM operator to be profitable even at lower volumes.

India1 Payments accounts for one-third of the White Label ATM segment

The white-label ATM segment consists of four players that are operational as of June 30, 2021. As of June 2021, these four players deployed 25,995 ATMs. As of June 30, 2021 and March 31, 2021, India1 Payments Limited was the leader in the WLA segment in the ATM industry with 33% and 32% of market share in terms of ATMs deployed, respectively, followed by Tata Communication Payments which accounts for one-fourth of the ATMs deployed by WLAOs.

Market share of players in the WLA segment by ATMs deployed (as of June 30, 2021)

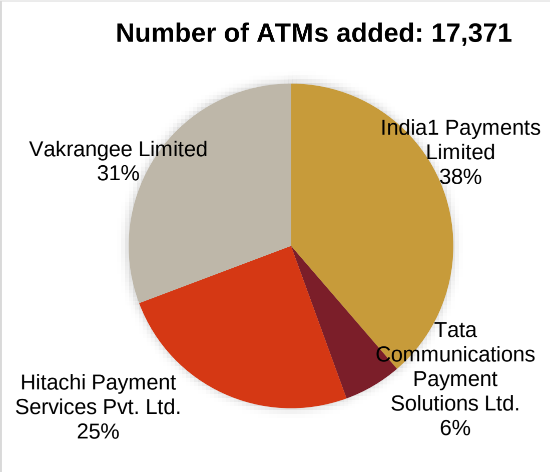


Source: RBI, CRISIL Research

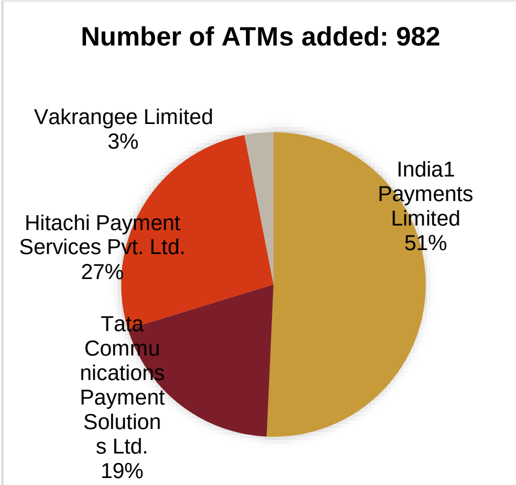
Taking into account all banks and WLAOs, India1 Payments Limited was the third largest operator of ATMs as of March 31, 2021 and the second largest operator of ATMs as of June 30, 2021, in terms of the number of ATMs in the SURU regions. For Fiscal 2021, India1 Payments Limited is the largest white label ATM operator in India with an estimated market share of 43-44%, in terms of number of transactions.

In terms of incremental ATMs added over last six years, India1 Payments Limited is the market leader in the WLA segment with 38% market share. In addition, in the first quarter of Fiscal 2022, India1 Payments Limited added the greatest number of ATMs, accounting for 51% of total ATMs added in the WLA segment.

Incremental ATMs added by WLAs between March 31, 2015 and March 31, 2021



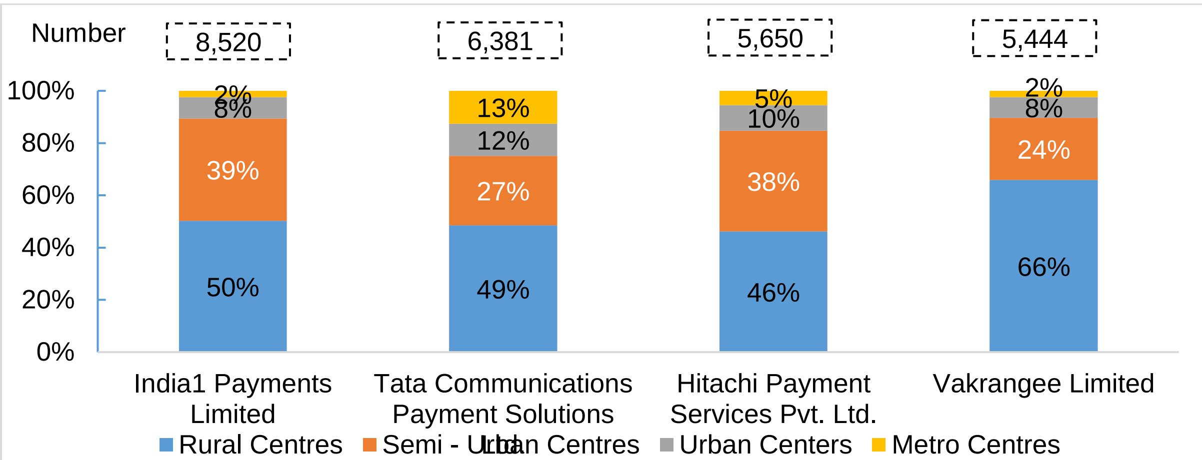
Incremental ATMs added by WLAs between March 31, 2021 and June 30, 2021



Source: RBI, CRISIL Research

In respect of the focus on semi-urban and rural areas, according to CRISIL Research, India1 Payments Limited has 89% of the ATM terminals deployed in SURU regions, while Vakrangee Limited has 90% of the ATM terminals deployed in SURU regions, as of June 2021. Tata Communication Payments solution has the lowest focus on SURU regions. When looking at rural areas alone, Vakrangee Limited has the highest focus in rural areas (with 66% of the ATM terminals deployed there), and India1 Payments Limited has the second highest focus (with 50% of the ATM terminals deployed in rural regions).

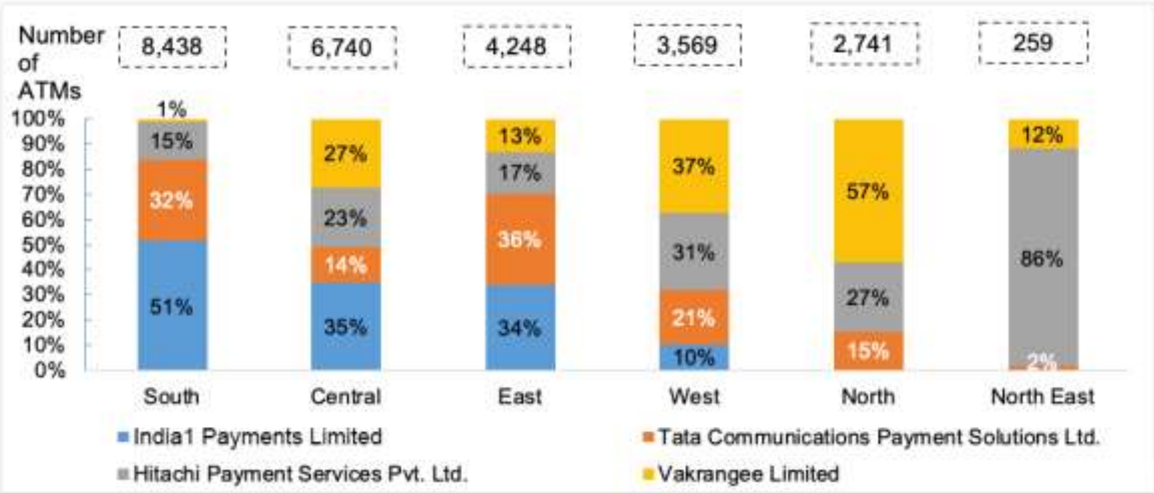
India1 Payments has 89% of the ATMs deployed in semi-urban and rural areas (as of June 30, 2021)



Note: ATM numbers exclude cash recyclers.
Source: RBI, CRISIL Research

In terms of geographical presence of the WLAOs, Southern and Central India is dominated by India1 Payments Limited, capturing 51% and 35% of these markets, respectively, as of June 2021. Vakrangee Limited dominates the Western and Northern regions, while Tata Communications Payments and Hitachi Payments has the major share in East and North East regions, respectively.

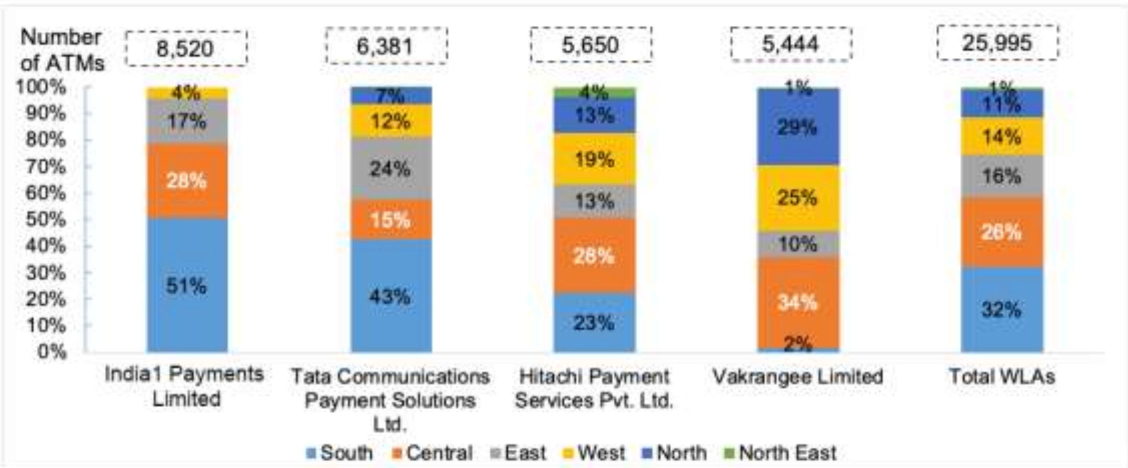
Region-wise market share of players in WLA segment (as of June 30, 2021)



Notes: (1) ATM numbers exclude cash recyclers.
(2) As per RBI classification, Southern region includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Lakshadweep and Pondicherry, Central region includes Chhattisgarh, Madhya Pradesh, Uttarakhand and Uttar Pradesh, Northern region includes Chandigarh, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Delhi and Ladakh, Eastern region includes Bihar, Jharkhand, Odisha, Sikkim, West Bengal and Andaman and Nicobar Islands, Western regions includes Goa, Gujarat, Maharashtra, Daman and Diu and Dadra and Nagar Haveli and North Eastern region includes, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura.
Source: RBI, CRISIL Research

In terms of concentration of ATMs deployed, India1 Payments has 79% of ATMs deployed in Southern and Central region, while Tata Communications Private Limited has 67% of ATMs deployed in Southern and Eastern Regions. India1 Payments also has highest concentration of ATMs in top 10 states, with 96% of the ATMs deployed in these states, as compared to overall WLA segment having 82% of ATMs deployed in top 10 states. In terms of top 5 states, Vakrangee Limited has the highest concentration with 76% of ATMs deployed in these states, followed by India1 Payments with 72% of ATMs deployed in these states.

Distribution of ATMs deployed by various players in the WLA segment (as of June 30, 2021)



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(2) As per RBI classification, Southern region includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Lakshadweep and Pondicherry, Central region includes Chhattisgarh, Madhya Pradesh, Uttarakhand and Uttar Pradesh, Northern region includes Chandigarh, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Delhi and Ladakh, Eastern region includes Bihar, Jharkhand, Odisha, Sikkim, West Bengal and Andaman and Nicobar Islands, Western regions includes Goa, Gujarat, Maharashtra, Daman and Diu and Dadra and Nagar Haveli and North Eastern region includes, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura.
Source: RBI, CRISIL Research

State-wise distribution of ATMs deployed by various players in the WLA segment (as of June 2021)

Players	ATMs deployed in top 10 states	ATMs deployed in top 5 states	Major states and their share
India1 Payments Limited	96%	72%	Tamil Nadu (22%), Uttar Pradesh (19%), Bihar (14%), Andhra Pradesh (9%), Karnataka (8%)
Tata Communications Payment Solutions Ltd.	87%	58%	Tamil Nadu (18%), Maharashtra (11%), Bihar (10%), Telangana (10%), Uttar Pradesh (9%)
Hitachi Payment Services Pvt. Ltd.	75%	52%	Uttar Pradesh (16%), Maharashtra (14%), Tamil Nadu (11%), Madhya Pradesh (6%), Rajasthan (5%)
Vakrangee Limited	92%	76%	Rajasthan (22%), Uttar Pradesh (22%), Maharashtra (20%), Madhya Pradesh (8%), Gujarat (4%)
Total (WLAs)	82%	56%	Uttar Pradesh (17%), Tamil Nadu (14%), Maharashtra (11%), Bihar (8%), Rajasthan (6%)

Source: RBI, CRISIL Research

Overview of Micro-ATMs

A micro-ATM ("MATM") is a portable device used by a merchant or a business correspondent to connect to his/her bank, authenticate customers and perform transactions. Despite the fact that it is named "micro-ATM", it does not have cash storage or dispensation facilities. The cash balances are reflected online but physical cash is deposited with or handed out by the merchant or a business correspondent. The micro-ATMs are based on a bank-led model for financial inclusion, where the Aadhaar infrastructure is an overlay on the existing banking and payments infrastructure and support transactions such as deposits, withdrawals, funds transfer, balance enquiry & a mini-statement. The main advantages of using a micro-ATM include its lower deployment cost when compared to a normal ATM and its ability to work with any bank since it an interoperable device which can work with any bank.

Participants in the deployment of micro-ATMs

There are various participants involved in the deployment of a micro-ATM network, the roles of which are as follows:

a. **Issuing bank:** The issuing bank is the bank that owns the customer relationship, and stores account details in its Core Banking Systems (CBS). The customer banks with the issuing bank and interacts with it for any queries, it serves as a touch point for authorizing transactions, carrying out transactions and dispute resolution.

b. **Acquiring bank:** The acquiring bank is the bank that owns the business correspondent relationship at the transaction point. An acquirer is often a traditional bank that contracts with a payment processing company or may also a payment processor that does not offer regular banking service.

c. **Business Correspondent (BC):** A BC is appointed by the bank providing access to basic banking services using micro-ATM. Banks may either appoint an individual BC or a corporate BC, who further can appoint sub-agents. BC may own the customer as well.

d. **Technology Service Provider (TSP):** TSP provides technology to the acquiring Bank to support BC operations.

e. **Multilateral switch:** The multilateral switch is used in the case of 'off-us' transactions to provide interoperability. It routes transactions from the acquiring bank to the issuing bank, and routes the authorization, settlement and reconciliation messages. An 'off-us' transaction in case of funds transfer may involve multiple banks, viz., the acquiring bank, the issuing bank, and the recipient's bank and the process is put through by the multilateral switch. This multilateral switch is operated by NPCI and other interbank switch vendors.

f. **UIDAI**: The Aadhaar platform supports the micro-payments platform by providing methods for secure authentication of an individual, using the Aadhaar number and demographic data, biometrics and OTP. The secure authentication provided by the UIDAI facilitates interoperability among micro-ATM devices operated by different banks, much like the existing ATM network.

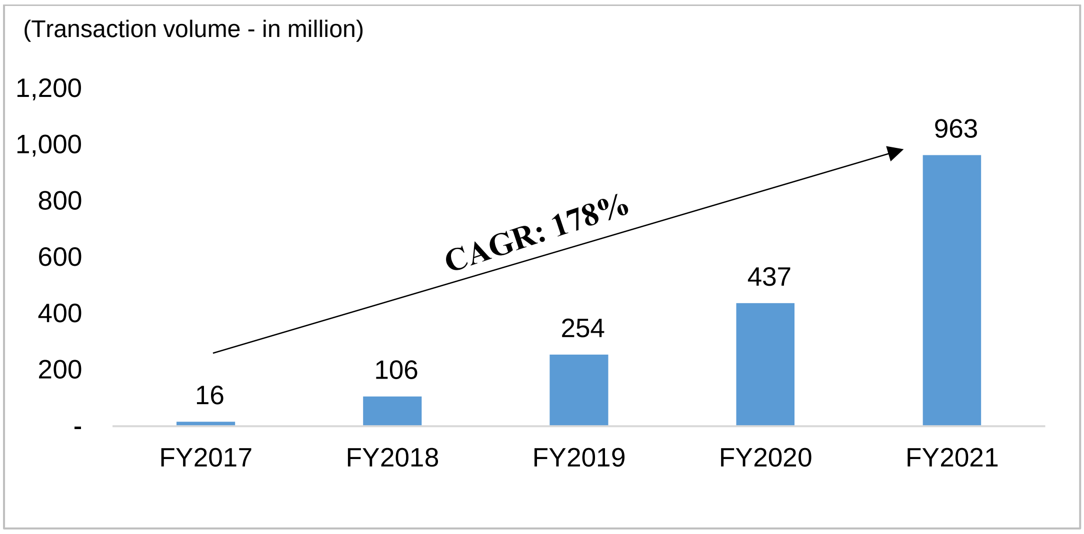
AePS transactions over Micro-ATMs grew by 92% in Fiscal 2021 to touch Rs 2,286 billion

Over the past few years, Aadhaar enables Payment Systems (AePS) transactions over MATMs have witnessed a strong growth, with transaction volumes growing at a CAGR of 178% between Fiscal 2017 and Fiscal 2021. In terms of value, it has grown at a CAGR of 216% during the same period. The micro-ATMs have added impetus to the financial inclusion efforts as the banks can rely on the micro-ATM infrastructure to reach the unbanked and under-banked regions of the country, thereby allowing customers to access secured banking facilities at their doorsteps. The micro-ATMs deployed in the country have also grown at a fast rate to reach 0.42 million as of May 2021 from 0.28 million as of May 2020. The development also shows the government's push towards digital technology for making banking services accessible to the masses.

In April 2020, the volume and value of AePS transactions over MATMs increased by over 150% and 45%, respectively, over March 2020. This indicates that the outreach of BCs and micro-ATMs payment mechanism spread widely during and post-lockdown in rural areas of the country. Direct Benefit Transfer (DBT) scheme announced by the central government has also encouraged the rural populace to actively avail services to receive the cash supports transferred to their Aadhaar linked bank accounts. Further, the support from telecom operators to set up last mile connectivity has also provided a boosted to the growth of micro-ATMs in the country.

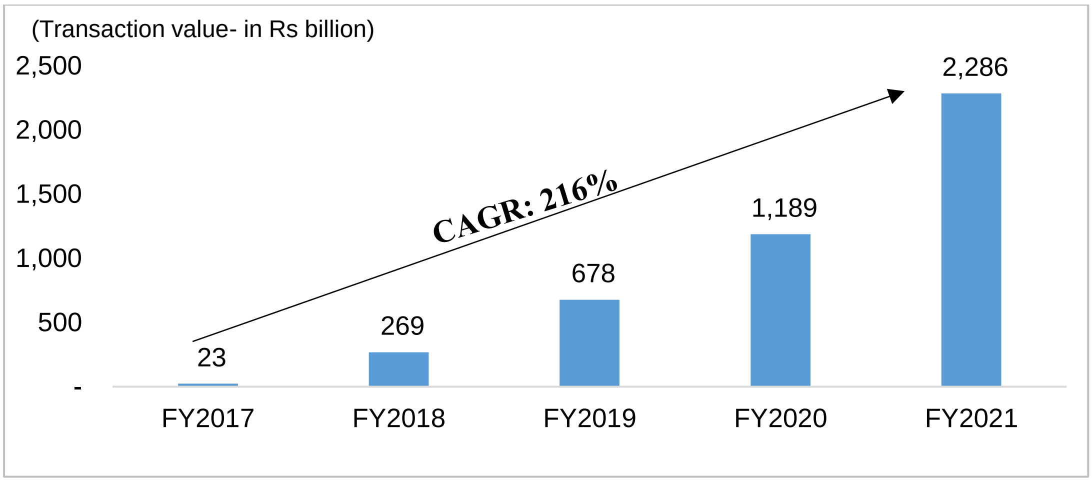
In the month of June 2021, the value of AePS transactions over MATMs stood at Rs. 250 billion, as compared to Rs. 147 billion in April 2020 and Rs. 199 billion in June 2020. Cumulatively, in Fiscal 2021, transactions over micro-ATMs rose by 92% to reach Rs 2,286 billion, as compared to Fiscal 2020.

AePS transactions over micro-ATMs had significantly increased at a CAGR of 178% between FY17 and FY21



Source:RBI, NPCI, CRISIL Research

AePS transactions value over MATMs had significantly increased at a CAGR of 216% between FY17 and FY21



Source:RBI, NPCI, CRISIL Research

Growth Drivers

Under penetration of ATMs in rural areas presents a big opportunity for micro-ATMs

According to “Report of the Committee to Review the ATM Interchange Fee Structure” by RBI, ATM access in India lags most of the emerging markets and large economies such as Russia, China, South Africa, United States, United Kingdom, etc., with only 21 ATMs being available per 100,000 adults in the year 2019. While overall ATM access in India is low, ATMs are also unevenly deployed across rural and urban areas. Close to 65% of the population lives in rural areas but only 20% of ATMs are deployed in rural centres, with the rest being deployed in metro, urban and semi-urban centres. Thus, there is a huge demand for ATM deployment in India to make it accessible to masses and make it even more available in semi-urban & rural centres where it is highly underserved. This poses a great opportunity for micro-ATMs to cater to the growing demand and to deepen penetration to reach the last mile of the country and address the challenges faced by rural population in fulfilling their cash withdrawal requirement.

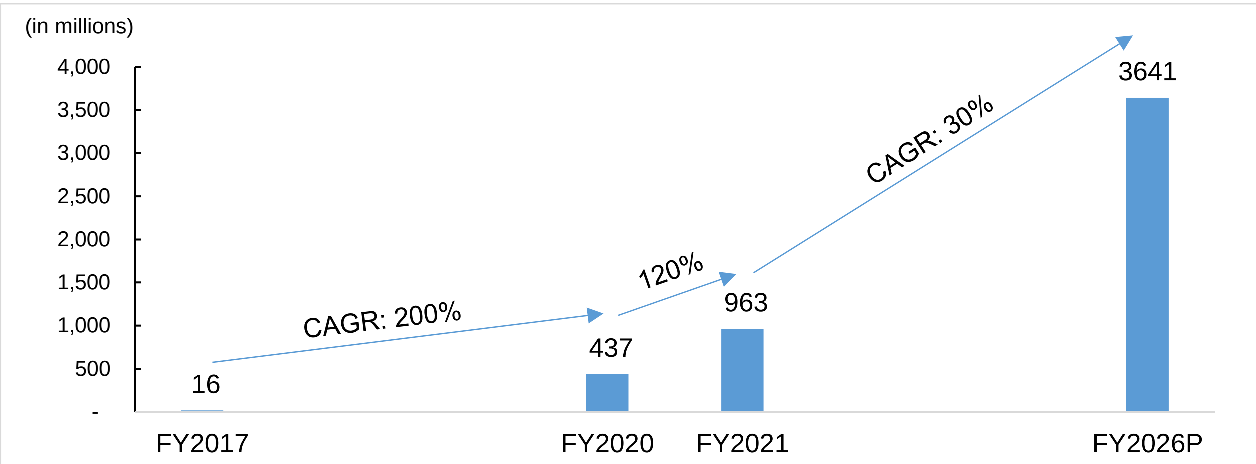
Push for financial inclusion and increasing BC penetration to drive growth for micro-ATMs

According to National Strategy for Financial Inclusion (NSFI) for the period 2019-2024, RBI has introduced various measures for financial inclusion, such as introduction of pilot Centres for Financial Literacy (CFLs) to strengthen financial literacy and training programmes for skill up-gradation for performance of BCs for effective delivery of financial services. The RBI has also advised all State/Union Territory Level Bankers’ Committees (SLBCs/UTLBCs) in October 2019 to identify one district in their jurisdictions and allot it to a member bank with a significant footprint, with a view to expanding and deepening of the digital payment ecosystem in the country. The endeavour is to make the district 100% digitally enabled within one year. Recently, Meghalaya government started distributing micro-ATMs to business correspondent agents (BCAs) to take banking services to doorsteps of people in under-penetrated regions. Similar initiative is being implemented in Karnataka, where MATMs was distributed to all Primary Agriculture Credit Cooperative Society (PACCS) in association with NABARD. CRISIL Research believes that continued focus of the Central government and RBI on digital payments using Aadhaar to authenticate transactions over micro-ATMs and business correspondent outlets is expected to fuel the growth for deployment of MATMs in the coming years.

AePS transaction over Micro-ATMs to increase at 30% CAGR between Fiscal 2021- Fiscal 2026

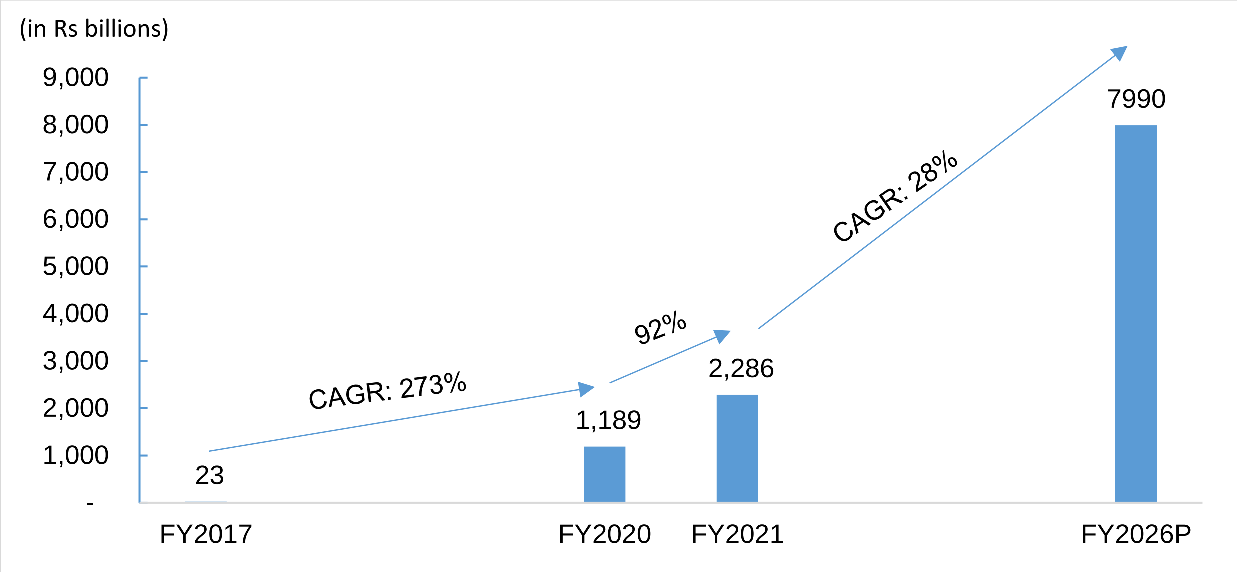
Going forward, CRISIL Research expects AePS transactions volume and transactions value over micro-ATMs to grow at a CAGR of 30% and 28%, respectively, between Fiscal 2021 and Fiscal 2026. The growth will be driven by increases in the number of business correspondents and in micro-ATM penetration to reach the remote regions of the country. Further, development of new use-cases and adoptions of steps such as biometric and iris authentication to curb transaction failures are also expected to drive transaction volumes and value in the coming years.

AePS transaction volume over MATMs to grow at 30% CAGR between Fiscal 2021 and Fiscal 2026



Note: P: Projected
Source: NPCI, CRISIL Research

Value of AePS transactions over MATM to grow at 28% CAGR between Fiscal 2021 and Fiscal 2026



Note: P: Projected
Source: NPCI, CRISIL Research

Revenue model for service providers

The micro-ATM service providers provide payment solution to the retailers to manage all forms of payments, including debit/credit cards, Bharat QR code, Aadhaar Pay and UPI. The retailers provide a one-time fee to the service providers for procurement of devices and a transaction processing fee to MATM/AePS service providers. In addition, some MATM service providers also earn a transaction processing fee from partners who use their API for facilitation of transactions. The cost for owning a micro-ATM/POS machine range from Rs 3,000 to Rs. 5,000 for the retailers, whereas other high-end conventional ATM terminals price ranges from Rs. 200,000 to Rs. 300,000. The transaction charges range between 0.25-0.40% percent of the transaction amount, which is paid to micro-ATM service provider whereas, for a conventional ATM provider, the commission for each financial transaction and each non-financial transaction is Rs. 17 and Rs. 6, respectively.

Comparison between a ATMs and micro-ATMs

	ATMs	**Micro-ATMs**
Services	Cash withdrawals, checking account balance, Cash deposit in some advanced ATMs (with cash dispenser)	Cash in and cash out facility through a Business Correspondent agent, facilitating funds transfer and bill payments
Authentication and Verification	Customers are authenticated through debit / credit card PIN	Customers are authenticated using AADHAAR based system and Biometrics
Set-up costs	Set up cost is higher owing to land clearances requirement and rentals and cost of machines	Micro-ATMs devices are handheld devices and have a lower cost of deployment
Deployment	ATMs are generally deployed on-side (inside Banks) or off-site (high footfall areas like shopping malls, petrol pumps and airports)	Micro-ATMs can be deployed at local retail shops to act as a touchpoint on behalf of the banks

Source: CRISIL Research

BUSINESS

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on page 16 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 23 and 270, respectively of this Draft Red Herring Prospectus for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report, which has been commissioned by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant year.

EBITDA, EBITDA margin and other non-GAAP financial information are presented for supplemental informational purposes only, have limitations as analytical tools and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly-titled non-GAAP measures used by other companies. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-GAAP financial measures. A reconciliation of these non-GAAP measures are provided in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 270 for each Non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of Non-GAAP financial measures to their most directly comparable Ind AS financial measures and to not rely on any single financial measure to evaluate our business.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the twelve months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information for Fiscal 2019, Fiscal 2020 and Fiscal 2021 is derived from our Restated Financial Statements.

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to India1 Payments Limited.

Overview

We are the largest independent non-bank ATM operator (referred to as a white label ATM operator) in India, based on the number of ATM transactions in Fiscal 2021 and installed base as of March 31, 2021. (Source: CRISIL Report, September 2021). As of June 30, 2021, we operated a network of 8,520 ATMs across 14 states and union territories in India, which we brand as "*india1ATM*". White label ATM operators operate under license by the RBI under the Payment & Settlement Systems Act, 2007, and we have been an authorised white label ATM operator since February 12, 2014. In Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, the gross transaction value ("GTV") of cash transactions from our ATMs were ₹270,787.74 million, ₹310,064.55 million, ₹439,745.20 million and ₹136,392.41 million, respectively, and processed 180.45 million, 205.25 million, 257.55 million and 71.82 million transactions, respectively. Our ATM business is focused on semi urban regions (population between 10,000 and 100,000) and rural regions (population under 10,000) in India (together the "SURU regions"), where 7,619 ATMs (89.42% of our ATMs) were located as of June 30, 2021. According to CRISIL Research, our Company was the second largest operator of ATMs in terms of the number of ATMs in the SURU regions as of June 30, 2021. (Source: CRISIL Report, September 2021).

Our customers are savings and current account holders with a valid debit card of one of the over 100 banks that are members of the National Financial Switch ("NFS") operated by the National Payments Corporation of India ("NPCI"). A transaction carried out at an ATM of the card issuing bank is called an "on-us" transaction. A transaction carried out at any other ATM including at one of our ATMs is called an "off-us" transaction. By using an *india1ATM*, our customers can perform different financial transactions such as cash withdrawals, card to card transfers as well as changes to their PINs and requests for account balances, mini-statements and cheque books.

Customers accessing ATMs outside their bank's own ATM network receive an RBI mandated minimum of three free "off-us" ATM transactions per month (if located in Bengaluru, Chennai, Hyderabad, Kolkata, Mumbai, and New Delhi) and five free "off-us" ATM transactions per month in other locations. (Basic Savings Bank Deposit Account or BSBDA account may have different norms for free transactions).

We generate revenue on a per-transaction basis from an interchange fee paid by the customers' banks for processing the ATM transactions rather than the customer itself. The RBI sets the interchange fees, which are currently as follows:

- ₹17 for financial transactions (₹15 until July 31, 2021) and
- ₹6 for non-financial transactions (₹5 until July 31, 2021).

The transactions between our customer's bank and our ATMs are processed through NPCI gateways using the NFS. Accordingly, our Company does not need approvals or arrangements with individual banks for their customers to transact on our ATMs. Instead, the NPCI manages the payment gateways among the banks and ATM operators and settles the cash dispensed and transaction based interchange fees (plus GST) four times daily (twice daily before July 5, 2021).

To increase our customer engagement, we developed an online loyalty program which offers cash back and redemption prizes to encourage greater transaction volumes from our customers. We launched the loyalty program in November 2020. As of June 30, 2021, we had 379,498 customers registered in the program, and we reached 500,000 registered loyalty customers on August 1, 2021. We have recently added personal loans to our loyalty program in association with an aggregator wherein we capture the leads and pass it on to the aggregator. We are currently looking to expand this loyalty program to become a digital platform to offer lending, insurance and other financial products which would be enabled through a smartphone app. We have started development work on the platform and have signed a letter of intent with a technology company to assist us. In addition, we have further expanded our product and services offering through the roll out of micro-ATMs, with 1,161 active units deployed in 6 Indian states as of August 15, 2021.

Sourcing cash for our ATMs and replenishing the cash in our machines is vital to our business. In accordance with the RBI's circular, dated March 7, 2019, we have also been able to source cash for our ATMs directly from RBI (Issue Offices) and currency chests across India. This has resulted in higher availability of cash in all denominations and a reduction in operational costs for our Company. In the three months ended June 30, 2021, Fiscal 2021 and Fiscal 2020, 45.23%, 42.62% and 22.15%, respectively, of the cash required for our ATMs was sourced from RBI (Issue Offices) and currency chests. Our remaining cash requirements were sourced from scheduled banks.

We have developed an operating model that aims to maximize customer availability for our ATMs and to yield a better local customer experience. An important part of our model has been to franchise some of our ATMs, primarily to local entrepreneurs in the SURU regions. We leverage the local knowledge and experience of our franchisees to guide our site selection and our ATM services so as to better serve the particular local needs of our customers. Through our franchisees, we are able to deploy our ATMs in towns and villages where cash management infrastructure is limited and where we may enjoy less competition. In addition, we utilize our franchisees close proximity to local ATMs to provide for more efficient cash replenishment and front line maintenance and encourage our franchisee's support in resolution of local environment issues that ensure smooth functioning of the location. Further, we also have business intelligence tool that allows us to drive customer analytics.

In the six months ended June 30, 2021, we processed an average of 24 million transactions per month on our ATM network. We reached the milestone of operating 9,000 ATMs in August 2021. The following graphs show our growth in ATMs deployed, our GTV, our total transactions and revenue per ATM per month in Fiscal 2019, Fiscal 2020, Fiscal 2021 and three months ended June 30, 2021.

Key Financial Information

The following table sets forth information on certain key financial information and indicators of our Company for the periods indicated.

(*in ₹ millions, except percentages*)

	As of, or for the fiscal year ended, March 31,		
Particulars	**2021**	**2020**	**2019**
Total Income	3,270.58	2,661.46	2,349.63
Interest and financing expenses	587.96	482.08	525.64
EBITDA	1,455.22	1,113.49	879.37
EBITDA margin	44.49%	41.84%	37.43%
Net Profit/(loss) for the year	33.38	(58.66)	(241.84)
PAT margin (1)	1.02%	(2.20%)	(10.29%)
Total borrowings (2)	9,146.95	4,725.68	4,899.31

(1) This is calculated by dividing the net profit/loss for the year by total income for the year.

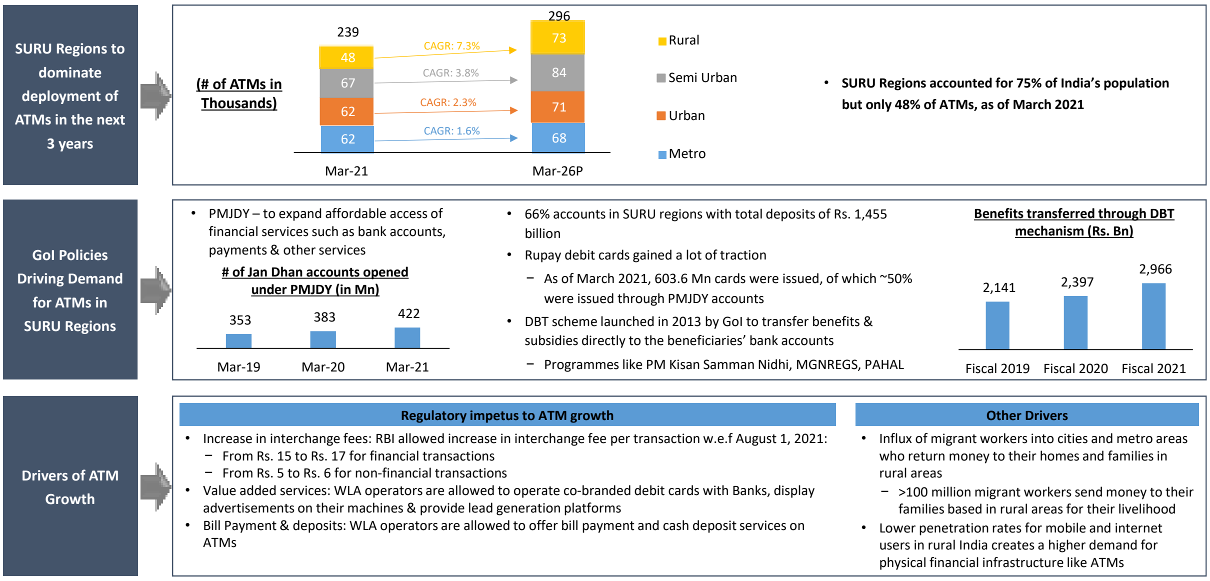
(2) Total borrowings include current maturities of long term borrowings and short term borrowings. As of the same period, our Company has cash and cash equivalents, bank balances (other than cash and cash equivalents) and cash dispensed recoverable aggregating to ₹ 10,090.78 million, ₹5,440.36 million and ₹ 4,711.04 million as of March 31, 2021, March 31, 2020 and March 31, 2019, respectively..

For information about Non-GAAP financial measures as set forth in the table above and their reconciliation to to the most directly comparable financial measure prepared in accordance with Ind AS, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Financial Measures"* on page 283.

Our Market Opportunity

According to CRISIL Research, as of March 31, 2021, the total number of ATMs deployed in India was 238,588 (excluding cash recyclers), and the number of installed ATMs has grown at a CAGR of 2.4% between Fiscal 2016 to Fiscal 2021. (Source: CRISIL Report, September 2021). As of June 30, 2021, we operated a network of 8,520 ATMs across 14 states and union territories in India.

The chart below illustrate our market opportunity of (i) growth in ATMs in the SURU regions, (ii) GOI Policies Driving Demand for ATMs in the SURU Regions and (iii) Other Drivers of ATM Growth in the SURU regions.



Source: CRISIL Report, September 2021

Growth in ATMs in the SURU Regions

CRISIL Research projects the number of ATMs installed in India to reach approximately 296,000 by March 2026, translating into net addition of approximately 57,000 deployments over a five-year period ending Fiscal 2026. (Source: CRISIL Report, September 2021). Most of these new deployments are expected by CRISIL Research to take place in the SURU regions with these regions expected to see net additions of an estimated 17,000 ATMs in semi-urban regions and 25,000 ATMs in rural regions during the period Fiscal 2021 to Fiscal 2026. (Source: CRISIL Report, September 2021).

In the view of CRISIL Research, the SURU regions represent a significant growth opportunity in the ATM sector as these areas are deeply underbanked with low ATM penetration. (Source: CRISIL Report, September 2021). According to CRISIL Research, as of March 31, 2021, the SURU regions accounted for 75% of India's population but only 48% of ATMs were deployed there. (Source: CRISIL Report, September 2021). CRISIL research reports that Indian banks have substantially less infrastructure in the SURU regions as compared to metro and urban areas, and generally banks have not been expanding their branch network in the SURU regions. (Source: CRISIL Report, September 2021). In fact, according to CRISIL Research, bank branches in the SURU regions have only grown by a 2.2 % CAGR over the last five fiscal years which is in line with growth of overall branch network growth in last five years. (Source: CRISIL Report, September 2021).

GOI Policies Driving Demand for ATMs in the SURU Regions

In the opinion of CRISIL Research, the demand, in part, for ATM services in the SURU regions is driven by the GoI's policies and focus on financial inclusion. (Source: CRISIL Report, September 2021). For example, in 2014, the GoI launched the financial inclusion scheme, *Pradhan Mantri Jan Dhan Yojana* ("PMJDY"), to expand affordable access to financial services such as bank accounts, payments and other services. The number of Jan Dhan accounts opened under the PMJDY scheme have increased from 353 million in Fiscal 2019 to 383 million in Fiscal 2020 and to 422 million in Fiscal 2021. (Source: CRISIL Report, September 2021). Out of these, according to CRISIL Research, as of March 31, 2021, 66% were in the SURU regions with total deposits of Rupees 1,455 billion. (Source: CRISIL Report, September 2021).

According to CRISIL Research, Ru-pay debit cards gained lot of traction through PMJDY launched by the Government of India. As of March 2021, 603.6 million Ru-pay cards were issued, of which around 50% (303 million cards) were issued through PMJDY accounts. (Source: CRISIL Report, September 2021). In the view of CRISIL Research, the growth in Ru-pay debit cards along with PMJDY accounts brings the unserved banking customers to main stream, and as a result, ATM demand is expected to increase in remote areas of countr (Source: CRISIL Report, September 2021). Further, the Direct Benefit Transfer ("DBT") Scheme was launched in 2013 by the GoI with an aim to cut out middlemen and transfer benefits and subsidies directly to the beneficiaries' bank accounts from programmes like *PM Kisan Samman Nidhi* (a scheme for farmers), the Mahatma Gandhi National Rural Employment Guarantee scheme (MGNREGS) and PAHAL (an LPG subsidy). According to CRISIL Research, the benefit transfers in form of cash through the DBT mechanism has increased from approximately ₹2,141 billion in Fiscal 2019 to ₹2,397 billion in Fiscal 2020 to ₹2,966 billion in Fiscal 2021 and these inflows are driving demand for cash in towns and villages in the SURU regions where these beneficiaries reside. (Source: CRISIL Report, September 2021).

In addition, the RBI's lending norms require every scheduled commercial bank to extend 40% of its adjusted net bank credit to certain eligible sectors including the agriculture and micro, small and medium enterprise sectors, and given the nature of these loans, a significant portion of priority sector loans are extended to the SURU regions. (Source: CRISIL Report, September 2021).

Key Drivers of ATM Growth in SURU regions

Another driver of cash and ATMs in the SURU regions has been the gradual increase in per capita income in the SURU regions as well as the influx of migrant workers into cities and metro areas who return money to their homes and families in rural areas. (Source: CRISIL Report, September 2021). According to CRISIL Research, more than 100 million migrant workers send money to their families based in rural areas for their livelihood. (Source: CRISIL Report, September 2021).

Further, the lower penetration rates for mobile and internet users in rural India creates a higher demand for physical financial infrastructure like ATMs, and CRISIL Research believes that ATMs will continue to subsist with non-cash forms of transactions in the SURU regions even as mobile and internet penetration increase. (Source: CRISIL Report, September 2021).

In addition, according to CRISIL Research, the number of bank credit accounts in rural areas grew at a CAGR of 5% between the end of Fiscal 2015 and the end of Fiscal 2021 and the number of bank deposit accounts grew at a CAGR of 7% between the end of Fiscal 2015 and the end of Fiscal 2020. However, with payments bank increasing their reach and expanding into rural areas and increasing financial awareness, faster growth in rural areas is expected by CRISIL Research in the future.

Business Growth Opportunities

There are a number of growth opportunities in the ATM industry for white label ATM operators including the following:

- *Interchange Fees:* In June 2021, RBI reviewed the ATM interchange fees for ATM transactions and allowed increase in interchange fee per transaction from ₹15 to ₹17 for financial transactions and from ₹5 to ₹6 for non-financial transactions in all regions, from August 1, 2021. According to CRISIL Research, this presents a huge incentive for white label ATM operators like our Company to deploy more ATMs, especially in rural and semi-urban areas, where the penetration is lower. (Source: CRISIL Report, September 2021).

- *Value-Added Services*: The RBI has also been expanding the services that white label ATM operators are allowed to offer. Under current regulations, white label ATM operators like the Company are allowed to offer co-branded debit cards with bank, display advertisements on machines and within the premises housing the ATM pertaining to non-financial products and services and provide lead generation platforms (for products like insurance, loans, mutual funds and other products).

- *Bill Payments and Deposits.* In addition, the RBI now permits white label ATM operators to offer bill payment service and cash deposit services on ATMs, which the Company may offer its customers in due course. According to CRISIL Research, this expanded service offering provides white label ATM operators like the Company with new revenues streams and the opportunity to improve margins. (Source: CRISIL Report, September 2021).

For further information on the Indian and global ATM industry and our market opportunity, see "Industry Overview" on page 110.

History

Incorporated in 2006, the Company was established in Mumbai as Banktech India Private Limited, a wholly-owned subsidiary of the Banktech Group (which is headquartered in Sydney, Australia). The Banktech Group has expertise in running ATM operations across a number of geographies. The Banktech Group, directly, and through its wholly owned subsidiary, BTI Payments Singapore, currently owns 51.05% of our issued and outstanding equity share capital, as of the date of this DRHP, prior to conversion of CCPS into equity shares. For further details, see "*Capital Structure*" on page 78.

We commenced our operations by providing managed services to various scheduled commercial banks in 2007 and diversified into managing POS terminal in 2009. In February 2014, our Company received authorisation from the RBI for our white label ATM operations, which we began in April 2014.

Our Promoters are David Scott Glen, the Banktech Group and BTI Payments Singapore. Our Promoters have worked with our Company's management to develop our business model and assist management in executing our business strategies.

For further information, see "*History and Certain Corporate Matters*" on page 177.

Our Competitive Strengths

Our Company has the following competitive strengths.

Focused presence in under-banked semi-urban and rural areas

We have focused deploying our ATMs and building our brand in the SURU regions. According to CRISIL Research, our Company was the second largest operator of ATMs in terms of the number of ATMs in the SURU regions as of June 30, 2021. (Source: CRISIL Report, September 2021). As of June 30, 2021 and March 31, 2021, 89.42% and 89.63% of our ATMs, respectively, were located in the SURU regions, and, during the three months ended June 30, 2021 and Fiscal 2021, 91.29% and 91.53% of our transactions, respectively, were derived from customers located in the SURU regions.

In the view of CRISIL Research, the SURU regions represent a significant growth opportunity in the ATM sector as these areas are deeply underbanked with low ATM penetration. (Source: CRISIL Report, September 2021). According to CRISIL Research, as of March 31, 2021, the SURU regions accounted for 75% of India's population but only 48% of ATMs were deployed there. (Source: CRISIL Report, September 2021).

The demand, in part, for ATM services in the SURU regions is driven by the GoI's policies and focus on financial inclusion. (Source: CRISIL Report, September 2021). For example, in 2014, the GoI launched the financial inclusion scheme, PMJDY, to expand affordable access to financial services such as bank accounts, payments and other services which have largely benefited the SURU regions. (Source: CRISIL Report, September 2021). According to CRISIL Research, the growth in PMJDY accounts along with the increase in Ru-pay debit cards has brought the unserved banking customers to main stream, and as a result, ATM demand is expected to increase in remote areas of India. (Source: CRISIL Report, September 2021). Further, the DBT Scheme was launched in 2013 by the GoI with an aim to cut out middlemen and transfer benefits and subsidies directly to the beneficiaries' bank accounts. According to CRISIL Research, these benefit transfer inflows are driving demand for cash in the SURU regions. (Source: CRISIL Report, September 2021).

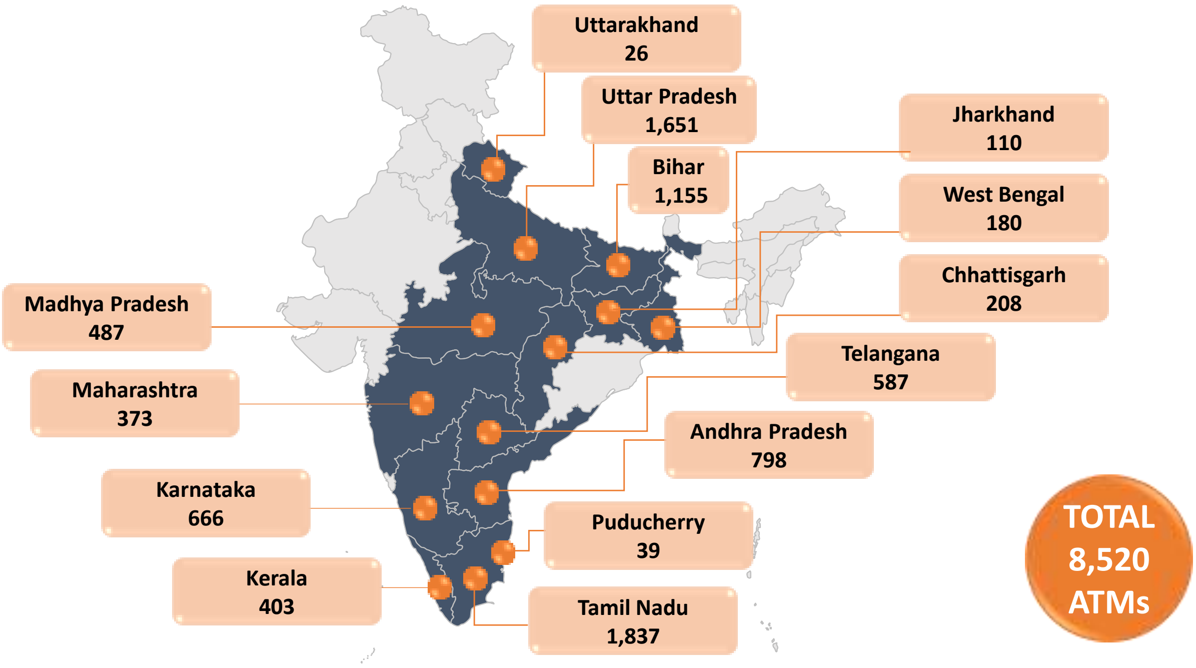
Another driver of cash and ATMs in the SURU regions has been the gradual increase in per capita income in the SURU regions as well as the influx of migrant workers into cities and metro areas who return money to their homes and families in rural areas. (Source: CRISIL Report, September 2021). Further, the lower penetration rates for mobile and internet users in rural India creates a higher demand for physical financial infrastructure like ATMs, and, according to CRISIL Research, ATMs will continue to subsist with non-cash forms of transactions in the SURU regions even as mobile and internet penetration increase.

In addition, the ATM underpenetrated states such as Bihar, Uttar Pradesh, West Bengal, Madhya Pradesh, Rajasthan, Orissa and Assam provide significant opportunity for our expansion. Also, our brand equity in markets like Tamil Nadu, Andhra Pradesh, Telangana and Karnataka will allow us to expand by penetrating deeper and become a brand of choice in these markets. (Source: CRISIL Report, September 2021).

Largest white label ATM operator with growing ATM network

In Fiscal 2021, we are the largest white label ATM operator in India with an estimated market share of 43%-44%, in terms of number of transactions. (Source: CRISIL Report, September 2021). As of June 30, 2021, we operated a network of 8,520 ATMs across 14 states and union territories, which are branded "*india1ATMs*". We reached the milestone of operating 9,000 ATMs in August 2021.

The following map shows our ATMs by state as on June 30, 2021.



(*Map not to scale*)

In the three months ended June 30, 2021 and Fiscal 2021, the GTV of cash transactions from our ATMs was ₹136,392.41 million and ₹439,745.20 million, respectively, and we processed 71.82 million and 257.55 million transactions, respectively. During the six months ended June 30, 2021, we processed an average of 24 million transactions per month on our ATM network.

We generate revenue on a per-transaction basis from an interchange fee paid by the customers' banks for processing the ATM transactions rather than the customer itself. This interchange fee per transaction is fixed by the RBI. Accordingly, we are able to increase our ATM revenue by growing our ATM presence and increasing the volume of transactions that our ATMs process. In this regard, our number of ATMs deployed has grown from 5,042 ATMs as of March 31, 2019 to 6,249 ATMs as of March 31, 2020 to 8,022 ATMs as of March 31, 2021 to 8,520 as of June 30, 2021. The total number of transactions processed by our ATMs has grown from 180.45 million transactions in Fiscal 2019 to 205.25 million transactions in Fiscal 2020 to 257.55 million transactions in Fiscal 2021. We processed 71.82 million transactions in the three months ended June 30, 2021.

Our strategy in deploying our ATMs is to identify and deploy ATMs at locations in the SURU regions that provide high visibility and high transaction volume. We use our experienced sales team and our franchisees who have a good understanding of the local market to assist us find locations that meet our deployment criteria. According to CRISIL Research, we ranked as the number one white label ATM operator in terms of new ATMs deployed for Fiscal 2021 and the quarter ended June 30, 2021. (Source: CRISIL Report, September 2021). We deployed

498 new ATMs in the three months ended June 30, 2021. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, we deployed 1,773, 1,207 and 381 new ATMs, respectively.

ATM operating model enriching the local customer experience and yielding higher customer availability

Our operating model aims to maximize customer availability of our ATMs and to yield a better local customer experience. An important part of our model has been to leverage the support of our franchisee partners, primarily local entrepreneurs in the SURU regions. As of June 30, 2021, we had over 900 franchisees assisting the operations of over 2,000 ATMs. We leverage the local knowledge and experience of our franchisees to guide our site selection and our ATM services so as to better serve the particular local needs of our customers. Through our franchisees, we are able to deploy our ATMs in towns and villages where cash management infrastructure is limited and where we may enjoy less competition. In addition, we utilize our franchisees close proximity to local ATMs to provide for more efficient cash replenishment and front line maintenance and encourage our franchisee's support in resolution of local environment issues that ensure smooth functioning of our ATMs in those locations.

With 7,619 ATMs (89.42% of our ATMs) located in the SURU regions as of June 30, 2021, ensuring the customer availability of our ATMs in remote locations presents numerous operational challenges due to poor infrastructure, telecommunications connectivity and electricity supply reliability. To meet these challenges, we leverage our longstanding experience as an ATM operator and the local knowledge of our service teams and franchisees. We also employ monitoring software that provides us early warning of events that may cause or have caused downtime.

Favourable regulatory environment

Our business, as a white label ATM operator, has benefited from sustained support from our regulator, the RBI. Most recently, through its notification, dated June 10, 2021, the RBI increased the interchange fees to ₹17 for financial transactions (₹15 until July 31, 2021) and ₹6 for non-financial transactions (₹5 until July 31,2021). This was the first increase in interchange fees since we entered the ATM business in 2014, which in CRISIL Research's view will improve the profitability and cash flows of white label ATM operators like our Company. (Source: CRISIL Report, September 2021).

In accordance with the RBI's circulars, white label ATM operators including our Company buy wholesale cash, above a threshold of 10,000 pieces (and in multiples thereof) of any denomination, directly from the RBI (Issue Offices) and currency chests across India against full payment. This has resulted in higher availability of cash in all denominations for white label ATM operators including our Company. (Source: CRISIL Report, September 2021). In the three months ended June 30, 2021, Fiscal 2021 and Fiscal 2020, 42.62%, 45.23% and 22.15%, respectively, of the cash required for our ATMs was sourced from RBI (Issue Offices) and currency chests. Our remaining cash requirements were sourced from scheduled banks. During demonetization in Fiscal 2017, where bank notes of ₹500 and ₹1000 were withdrawn from circulation and cash became scarce, the RBI allowed white label ATM operators for a limited time to access cash from retailers to ensure supplies to rural communities.

In Fiscal 2021, the RBI also streamlined the authorization process for white label ATM operators which will allow quicker review and approval of new applications and provides for perpetual licenses for existing operators as they come up for renewal (instead of the prior regime of annual renewals). The RBI has also been expanding the services that white label ATM operators are allowed to offer. Under current regulations, white label ATM operators are allowed to offer co-branded debit cards with bank, display advertisements on their machines and provide lead generation platforms (for products like insurance, mutual funds and other products). In addition, the RBI now permits white label ATM operators to offer bill payment service and cash deposit services on ATM, which the Company may offer its customers in due course. According to CRISIL Research, this expanded service offering provides white label ATM operators like our Company with new revenues streams and the opportunity to improve margins. (Source: CRISIL Report, September 2021).

Growing profitability and cash flows through focus on unit economics and active cost management

In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our total income was ₹3,270.58 million, ₹2,661.46 million and ₹2,349.63 million, respectively; our EBITDA was ₹1,455.22 million, ₹1,113.49 million and ₹879.38 million, respectively; and our total comprehensive income/(loss) for the year was ₹32.47 million, (₹60.11 million) and

(₹243.68 million), respectively. Our cash flows, operating margins and profitability have been improving due to increased transaction volume and lower operating costs.

We have achieved profitability of our operations, in part, due to our focus on unit economics in respect of our ATM margins. Our average monthly revenue from operations per ATM was ₹38,120.59 in Fiscal 2021, ₹39,524.20 in Fiscal 2020 and ₹39,517.22 in Fiscal 2019. During the same period, our average monthly operating expenses per ATM have decreased to ₹21,800.98 in Fiscal 2021, from ₹23,894.04 in Fiscal 2020 and from ₹25,340.18 in Fiscal 2019. In addition, we will benefit from the higher interchange fees that we receive beginning August 1, 2021 due to the introduction of the new interchange fees by the RBI. Further, our profitability benefits from our ramp-up time per ATM. .

Our operating margins and profitability are improving due to our cost management measures and to regulatory changes including:

- *Cash Optimization.* We optimize the cash used in each ATM using cash management software that looks to optimize our interest cost related to our working capital for the cash in a machine along with the operating expense of replenishing the cash in that machine.

- *Working capital interest*. The interest expense we pay for our working capital (which is primarily the cash in our ATMs to be dispensed to customers) has improved due to improvements in our net worth and financial performance, credit rating improvements and the diversification of our lender base. In addition, our working capital cycle is expected to improve as the NPCI has commenced settling cash dispensed from the ATM and the interchange fees four times each day from July 5, 2021, rather than twice daily as before.

- *Access to RBI currency chests.* Since March 2019, we have been able to source cash directly from RBI (Issue Offices) and currency chests across the country. This has resulted in the reduction in our transportation and operational costs.

- *Economies of scale*. Our overhead per ATM has decreased due to growth in our network. Our scale also adds value in our negotiation of contracts with our suppliers and service providers.

For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Principal Factors Affecting our Results of Operations"* on page 272.

Experienced management team with the support of the Banktech Group

Our management's credible reputation, extensive industry experience and business acumen has helped us drive our growth and operating performance and we believe will continue to do so in the future, as evidenced by the number of initiatives our Company has already undertaken and successfully implemented. In particular, our management team including K Srinivas, managing director and chief executive officer, Rajeev Desai, chief operating officer, R. Kumara Krishnan, chief sales and marketing officer, and Sanjay Bajaj, chief financial officer have had extensive experience managing (in their particular areas) consumer or network businesses with strong footprints in the SURU markets. For further details on their profiles, see the section entitled "*Our Management*" on page 185.

Our Company is the conceptualization of the Banktech Group (which is headquartered in Sydney, Australia). The Banktech Group has expertise in running ATM operations across a number of geographies. The Banktech Group has worked with our Company's management to develop our business model and has assisted management in executing our business strategies.

Our Strategies

Our key business strategies are set forth below.

Continue expansion of our ATM deployment in semi-urban and rural areas

We intend to strengthen and grow our ATM network in the underbanked SURU regions. By expanding our SURU presence, we will be able to increase our customer base, generate higher transaction volumes and improve our brand recognition. In Fiscal 2021, we added 1,568 new ATMs in the SURU regions, and we aim to continue adding ATMs in the SURU regions at a similar or faster pace each year. The RBI has mandated in their letter dated December 18, 2019 on "White Label ATM Operations – Review of guidelines and deployment targets" that we open at least 1,000 new ATMs in a calendar year. Accordingly, we will continue to deploy our ATMs in, or near to, underbanked states, towns and villages where strong transaction volumes are anticipated. In our experience, the depth of our presence in a particular state or market builds brand recognition and improves our overall performance. As the various states and territories in India have differing levels of ATM penetration, we plan to build our ATM footprint to take advantage of these growth opportunities and to maximize our presence and brand.

New product launch including micro-ATMs and digital platform

To maintain or improve our competitive position, we need to continually identify and introduce new or improved products and services and tailor solutions that respond to expanding customer needs in a timely and effective manner. In that regard, we are looking to expand our offering through the roll out of micro-ATMs and by developing a digital platform to provide financial services to our customers.

Micro-ATMs are portable devices that allow banking transactions including cash withdrawals, and fund transfers using debit cards. Micro ATMs also provide for Aadhaar enabled payments through the NPCI's AePS system. Micro-ATMs are particularly well suited for rural and remote areas where connectivity and infrastructure are not conducive to deploying a full ATM. Using our cash management skills and other operational experience as an ATM operator as key differentiators, we plan to deploy micro-ATMs in rural areas. We believe micro-ATMs offer a significant opportunity to leverage and expand our *india1ATM* footprint and drive growth in transaction volumes. Our Company is currently piloting the use of micro-ATMs with 1,161 active units deployed in 6 states as of August 15, 2021.

To increase our customer engagement, we launched an online loyalty program in November 2020, which offers cash back and redemption prizes to encourage greater transaction volumes from our customers. We launched the loyalty program November 2020. As of June 30, 2021, we had 379,498 customers registered in the program, and we reached 500,000 registered loyalty customers on August 1, 2021. We have recently added personal loans to our loyalty program in association with an aggregator wherein we capture the leads and pass it on to the aggregator. We are currently looking to expand this loyalty program to become a digital platform to offer lending, insurance and other financial products which would be enabled through a smartphone app. We have started development work on the platform and have signed a letter of intent with a technology company to assist us.

Improving our local operational capabilities

Our strategy is to continue to strengthen and grow our local operational capabilities across India, particularly in the SURU regions through expansion of our network and improving our local operations. We plan on targeted expansion by continuing to deploy franchised ATMs in the SURU regions and other markets where high volumes of transactions are expected. Accordingly, we are focused on increasing the number and quality of our franchisee partners. We intend to develop long-term relationships with our franchisees with the goal of maintaining a consistency of quality of services across our ATM network and reducing operating costs. In addition, we intend to use this expanded network of franchised ATMs to bolster our brand visibility and to increase the accessibility of our ATM services in under banked towns and villages. Further, we are looking to improve our operations including cash management and service maintenance by local focus thereby improving ATM customer availability.

Drive profitability through customer engagement and by operating cost management

We intend to drive our profitability through increased customer engagement and by strong attention to our operating cost management. On the revenue side, we will grow through expansion of our network as explained above but also through increasing transaction volumes through customer engagement. In particular, we intend to continue to strive to achieve best-in-class ATM customer availability and a timely and responsive approach to service in order to enhance customer experience. In addition, we will use data analytics and customer loyalty program to determine and meet customer preferences including note denominations and attractive add-on services.

We also will continue our focus on underserved SURU regions using our customer knowledge, franchise partnerships and well-placed ATMs to build long-term customer relationships.

We also intend to leverage our brand and customer base to offer a range of value-added products and services. To that end, we plan to scale up the sale of display advertisements on our machines pertaining to both financial and non-financial products and services, and we are planning to introduce co-branded debit cards with partner banks, offer payment services over our ATMs and offer lead generation platforms (for products like loans, insurance and other products). We may also set-up recycler machines that allow deposit of cash and recycle the cash in high transaction ATM locations to reduce cash management costs.

In respect of our expenses, we will continue to optimize our performance to minimize our interest cost related to our working capital, improve and optimize our cash management activities, reduce our maintenance expenses through preventative care and continually look for overhead cost optimization.

Recent developments - Impact of COVID-19

In December 2019, a human infection originating in China was traced to a novel strain of coronavirus (also known as COVID-19) and has since spread to over 200 countries and territories. The outbreak of COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020, and as of the date of this Draft Red Herring Prospectus, it is still ongoing and evolving. The GoI initiated a nation-wide lockdown from March 24, 2020 that lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. However, banking services including ATM operations were determined to be an essential industry, which allowed us to continue our ATM operations during the nationwide lockdown with limited workforce and other safety measures. Although the nationwide lockdown was lifted on June 1, 2020, restrictions on non-essential activities and travel were imposed until August 31, 2020 in multiple states across specific districts that were witnessing increases in COVID-19 cases. The second wave of COVID-19 infections impacted India in April, May and June 2021. The second wave resulted in significant strain on the health infrastructure in the country resulting in several states announcing lockdown measures. The second wave also resulted in a large part of the population working from home and implementing social distancing measures. In June 2021, the COVID-19 reported cases from the second wave started declining and the GoI and state governments started gradually easing some of the strict precautionary measures.

Our business has been impacted, and may continue to be impacted, during the COVID -19 pandemic as set forth below.

- The decrease in economic activity and the decrease in footfall of customers at our our ATMs, in particular during the lockdowns and second wave, resulted in reduced ATM transactions. During the period from March 31, 2020 to May 31, 2020, our ATM transactions decreased by approximately 12.30%. In April, May and June 2021, we experienced a decline in the number of transactions processed at our ATMs each month as a result of the disruptions due to nation-wide activity, including geographic/state-specific lockdowns, caused by the second wave of the COVID-19 pandemic.

- Many migrant workers in the cities and metro areas who usually return money to their homes and families in rural areas returned home during the pandemic reducing cash inflows to the SURU regions where our ATM business is focused.

- Our operations and the operations of our third-party service providers were disrupted and may continue to be disrupted by social distancing, split-teams, work from home and quarantine measures as well as illness associated with the pandemic.

- Our roll out of new ATMs was halted or slowed during the lockdowns in 2020 and the second wave in 2021. Notwithstanding, we added 1,773 ATMs in Fiscal 2021 as compared to 1,207 ATMs in Fiscal 2020. We added 498 ATM is the three months ended June 30, 2021.

- Our workforce and third-party service providers, including key personnel, have been unable to work effectively from time to time (especially during the lockdowns and second wave), and may in the future be unable to work effectively, because of illness, government actions, or other restrictions in connection with the pandemic.

As of the date of this Draft Red Herring Prospectus, there is significant uncertainty relating to the severity of long-term adverse impact of the ongoing COVID-19 pandemic on the domestic and global economy, domestic and global financial markets and the Indian banking industry. For further information, see "*Risk Factors - The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, results of operations and financial condition.*"

Our Automated Teller Machine (ATM) Business

As of June 30, 2021, we operated a network of 8,520 ATMs across 14 states and union territories, of which 7,377 ATMs are owned by our Company and 1,143 ATMs are on operating lease. Our ATMs are branded "*india1ATM*". We reached the milestone of operating 9,000 ATMs in August 2021. In the six months ended June 30, 2021, we processed an average of 24 million transactions per month on our ATM network.

Our customers are savings and current account holders with a valid debit card of one of the over 100 banks that are members of the NFS operated by the NPCI. A transaction carried out at an ATM of the card issuing bank is called an "on-us" transaction. A transaction carried out at any other ATM including at one of our ATMs is called an "off-us" transaction. By using an india1ATM, our customers can perform different financial transactions such as cash withdrawals, card to card transfers as well as changes to their PINs and requests for account balances, mini-statements and cheque books. Customers accessing ATMs outside their bank's own ATM network receive an RBI mandated minimum of three free "off-us" ATM transactions per month (if located in Bengaluru, Chennai, Hyderabad, Kolkata, Mumbai, and New Delhi) and five free "off-us" ATM transactions per month in other locations. However, some banks allow free "off-us" transactions in excess of the RBI required minimum and some banks offer unlimited "off-us" transactions. (Basic Savings Bank Deposit Account or BSBDA account may have different norms for free transactions).

We generate revenue on a per-transaction basis from an interchange fee paid by the customers' banks for processing the ATM transactions rather than the customer itself. The RBI sets the interchange fees, which are currently as follows:

- ₹17 for financial transactions (₹15 until July 31, 2021) and
- ₹6 for non-financial transactions (₹5 until July 31, 2021).

The transactions between our customer's bank and our ATMs are processed through NPCI gateways using the NFS. Accordingly, our Company does not need approvals or arrangements with individual banks to enter ATM transactions with their customers. Instead, the NPCI manages the payment gateways among the banks and ATM operators and settles the cash dispensed and interchange fees (plus GST) four times daily (twice daily before July 2021).

The working capital for our business is primarily the cash in our ATMs, which is available for dispensing to customers and NPCI receivables. The four times per day settlement by the NPCI means that our working capital cycle is very short. For information about our working capital cycle, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations- Costs of Working Capital*" on page 274.

The following table sets forth information on our ATMs and ATM transactions for the periods indicated.

	As of, or for the quarter ended, June 30,	**As of, or for the year ended, March 31,**		
	2021	**2021**	**2020**	**2019**
Number of ATMs deployed	8,520	8,022	6,249	5,042
Number of ATM transactions (millions)	71.82	257.55	205.25	180.45
GTV(1) (₹ millions)	136,392.41	439,745.20	310,064.55	270,787.74
New ATMs added in the period	498	1,773	1,207	381

Notes:

(1) GTV means gross transaction value of cash transactions through our ATMs

Our Operating Model

Our operating model aims to maximize customer availability of our ATMs and to yield a better local customer experience. An important part of our model has been to franchise some of our ATMs, primarily to local entrepreneurs in the SURU regions. We leverage the local knowledge and experience of our franchisees to guide our site selection and our ATM services so as to better serve the particular local needs of our customers. Through our franchisees, we are able to deploy our ATMs in towns and villages where cash management infrastructure is limited and where we may enjoy less competition. In addition, we utilize our franchisees close proximity to local ATMs to provide for more efficient cash replenishment and front line maintenance and encourage our franchisee's support in resolution of local environment issues that ensure smooth functioning of the location.

As of June 30, 2021, we had over 900 franchisees assisting the operations of over 2,000 ATMs. In the three months ended June 30, 2021, Fiscal 2021, Fiscal 2020, Fiscal 2019 and, our top ten franchisees accounted for 2.1%, 2.1%, 1.7% and 1.2% of our ATMs, respectively.

We pay our franchisees a variable payout, depending on the scope of the services performed by them and the actual transaction levels in the ATMs managed by them. Accordingly, each franchisee is incentivised to drive transaction volume growth through local promotion and creating awareness within the franchisee's geography. In connection with the ATM's operations, each franchisee provides an agreed scope of services to the Company.

Our ATM Deployment

We have found that the primary factor affecting transaction volume at a given ATM is its location. Our strategy in deploying our ATMs is to identify and deploy ATMs at locations that provide high visibility and high transaction volume. Our experience has demonstrated that the following locations often meet these criteria: near a busy marketplace which works as a feeder market for multiple villages, near bus-stands and near industrial and factory units. We use our experienced sales and marketing team of 80 employees as of June 30, 2021 and our franchisees who have a good understanding of the local market to find locations that meet our deployment criteria.

In site identification, we look for towns and villages with low ATM penetration but also with sufficient economic activity and customers to support an ATM. We also look at feasibility issues like the availability of cash sourcing and replenishment options and basic operational requirements. Furthermore, sites must enjoy foot and vehicle access, 24 hour availability and reliable telecommunication infrastructure and power supply.

We deploy our ATMs on leased premises. These leases are generally for a period of 5 years, but are terminable by the Company upon 30 days' notice. Once we take possession of a site, it generally takes around 30 days for an ATM to be operationalized at the location.

According to CRISIL Research, we ranked as the number one white label ATM operator in terms of new ATMs deployed for the quarter ended June 30, 2021. (Source: CRISIL Report, September 2021). As of June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, we had 8,520, 8,022, 6,249 and 5,042 ATMs deployed, respectively.

The RBI has mandated in their letter dated 18th December 2019 on "White Label ATM Operations – Review of guidelines and deployment targets" that we deploy at least 1,000 new ATMs every year from the calendar year 2020 for an initial period of 3 years.

ATMs by State

As of June 30, 2021, we had 8,520 ATMs across 14 states and union territories including 901 ATMs in metro and urban regions, 3,336 ATMs in semi urban regions and 4,283 ATMs in rural region. Our ATM business is focused on the SURU regions in India, where 7,619 ATMs (89.42% of our ATMs) were located as of June 30, 2021. According to CRISIL Research, our Company was the second largest operator of ATMs in terms of the number of ATMs deployed in the SURU regions as of June 30, 2021. (Source: CRISIL Report, September 2021). We view the SURU regions as the area for strategic growth of our business and have concentrated our new ATM deployment in the SURU regions. See above "-- *Our Strategies - Continue expansion of our ATM deployment in semi-urban and rural areas"* on page 161.

The table below sets out details of the number of our ATMs by state as of June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019.

	Number of ATMs			
State	As of June 30, 2021	As of March 31, 2021	As of March 31, 2020	As of March 31, 2019
Tamil Nadu	1,837	1,754	1,493	1,371
Uttar Pradesh	1,651	1,550	1,182	894
Bihar	1,155	1,099	819	562
Andhra Pradesh	798	747	641	572
Karnataka	666	628	521	462
Telangana	587	566	465	379
Madhya Pradesh	487	462	306	188
Kerala	403	389	323	295
Maharashtra	373	345	282	210
Chhattisgarh	208	175	84	27
West Bengal	180	139	13	1
Jharkhand	110	101	57	23
Puducherry	39	41	35	35
Uttrakhand	26	26	27	22
Gujarat	-	-	1	1
Grand Total	**8,520**	**8,022**	**6,249**	**5,042**

ATMs by Population Centre

The following table sets out details of the number of our ATMs by population centre type (in accordance with RBI classifications) and as a percentage of our total ATMs as of June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019.

	As of June 30, 2021		As of March 31, 2021		As of March 31, 2020		As of March 31, 2019	
Classification	Number of ATMs	% of Total ATMs	Number of ATMs	% of Total ATMs	Number of ATMs	% of Total ATMs	Number of ATMs	% of Total ATMs
Metro (1)	207	2.43%	198	2.47%	162	2.59%	169	3.35%
Urban(2)	694	8.15%	634	7.90%	465	7.44%	360	7.14%
Semi-urban(3)	3,336	39.15%	3,137	39.10%	2,438	39.02%	1,977	39.21%
Rural(4)	4,283	50.27%	4,053	50.53%	3,184	50.95%	2,536	50.30%
Grand Total	**8,520**	**100.00**	**8,022**	**100.00**	**6,249**	**100.00**	**5,042**	**100.00**

(1) Metropolitan with a population of 1 million and above
(2) Urban with a population of 100,000 to 1 million
(3) Semi-urban with a population of 10,000 to 100,000
(4) Rural with a population of less than 10,000

ATM Customers

Our customers are savings and current account holders with a valid debit card of one of the over 100 banks that are members of the NFS operated by the NPCI. During the six months ended June 30, 2021, we processed an average of 24 million transactions per month on our ATM network.

Customer Service and Monitoring

We monitor the performance of our ATMs using management information software ("MIS") and robust analytics tools. We review a daily MIS for each ATM for the previous day's performance. We also receive daily uptime reports detailing each ATMs uptime from the day before. We use software that continuously monitors the performance of our ATMs for service interruptions and notifies our maintenance team for prompt dispatch of necessary service calls.This data is readily accessible by our customer service managers to provide reliable customer support. We also analyse and action the data to yield greater operating efficiencies. In addition, we have a separate team comprising of subject matter experts (SMEs) who analyse and rectify repeat calls and chronic issues observed through our network.

Marketing and Loyalty Program

We have adopted a regional and local marketing strategy to promote our brand and ATMs. We advertise in regional and local media with a particular emphasis on the SURU regions. We also engage in promotions and marketing campaigns at the regional and local level in connection with festivals or events where cash use will be high.

We have launched an online loyalty program to better serve and attract customers which initially offers cash back and redemption prizes to encourage greater loyalty and transaction volumes from our customers. The program is integrated with "Whats App" and designed to increase our customer engagement. We launched the loyalty program in November 2020, and as of June 30, 2021, we had 379,498 customers registered in the program, and we reached 500,000 registered loyalty customers on August 1, 2021. We are currently looking to expand this loyalty program to become a digital platform to offer lending, insurance and other financial products. We have started development work on the platform and have signed a letter of intent with a technology company to assist us. This program forms the basis of our digital strategy, through the introduction of a smartphone application we will further increase our customer loyalty and engagement through offering new products and services.

ATM Operations and Cash Management

In addition to ATM deployment, our ATM operations include cash management, cash demand forecasting and replenishment, transaction processing, ATM network monitoring and security, ATM equipment and supply and maintenance activities.

Cash Management

Cash management is a critical value driver for the organization as it is a key contributor to customer satisfaction and to overall cost of operation. Cash management includes – analytics and demand forecasting, route optimization, optimization of the cost of cash holding, cash replenishment, managing tie-ups with banks for currency supply, obtaining cash from RBI (Issue Offices) and currency chests and reconciliation.

Our team utilizes analytical tools for demand forecasting, taking into account the ATM's past performance as well as seasonal considerations. This forecast forms the basis for automated planning for account route optimization, safety, cash requirements and other parameters. Our internal cash management team uses internal data to confirm and coordinate currency sourcing and currency replenishment as well as reconciliation and audits.

We source our currency requirement from RBI (Issue Offices) and currency chests and bank branches. In accordance with the RBI's circular, dated March 7, 2019, we are able to source cash directly from RBI (Issue Offices) and currency chests across the country. This has resulted in higher availability of cash in all denominations and reduction in transportation and operational costs for the Company. In the three months ended June 30, 2021, Fiscal 2021 and Fiscal 2020, 45.23%, 42.62% and 22.15%, respectively, of the cash required for our ATMs was sourced from RBI (Issue Offices) and currency chests. Our remaining cash requirements were sourced from nearby scheduled banks in accordance with the same RBI circular.

We contract with replenishment agencies to transport and transfer currency to our ATMs. Under these arrangements, the agencies pick up the currency in bulk and prepare the cash for delivery to each ATM on the designated fill day. Following a predetermined schedule, the replenishers visit each location on the designated fill day, load currency into each ATM by adding additional currency into a cassette and then updating the switches and machine counters. In addition to the replenishment agencies, the same task is performed by our franchisees for the ATMs where it is in their scope to do so.

Transaction processing

Our ATMs communicate through our internet service providers (ISP) to a host processor. Each of our ATM sites connects to the host processor via the BTI data centre. The BTI data centre control data flow between the ATM site and the host processor using routing. The connectivity from ATM to BTI data centre is made by VSAT transmission or by a 4G network service provider. The connectivity from BTI to the host processor and the managed service partner is through multiprotocol label switching (MPLS). When the transaction is made, the details are input by the cardholder. This information is passed on to the host processor by the ATM. The host processor checks these details with the card issuer's bank. If the details are matched, the host processor sends the approval code to the machine so that the cash can be dispensed. The transactions between our customer's bank and our ATMs are processed through the NPCI gateways using the NFS

ATM network monitoring and security

We place significant emphasis on providing quality service with a high level of security and minimal interruption. We have carefully selected support vendors to optimize the performance of our ATM network. We use the ATM feed from the host processor to perform our ATM network monitoring. In addition, our managed service partners provide monitoring 24 hours a day.

Our internal systems include multiple layers of security to help protect them from unauthorized access. Protection from external sources is provided by the use of hardware and software-based security features that isolate our sensitive systems. We also use encryption technology to protect communications. On our internal network, we employ user authentication and anti-virus tools. These systems are protected by detailed security rules to limit access to all critical systems. Our systems components are directly accessible by a limited number of employees on a need-only basis. Our gateway connections provide us with real-time access to encrypted transaction details, such as cardholder verification, authorization and funds transfer. Our ATMs cash safe have electronic locks which needs one time combination password to open. The host processor allows us to see the real time status of the ATM such as device status, cash balance and events in the ATM.

We use a business intelligence tool for measuring the performance of the ATMs in our network. This tool permits us to generate financial and non-financial information for each ATM location, allowing us to analyse each location's profitability. We analyse transaction volume and profitability data to determine whether to continue operating at a given site, and helps in creating profiles of successful ATM locations so as to assist us in deciding the best locations for additional ATM deployments.

ATM equipment supply

We purchase our ATMs from two international manufacturers and from one Indian manufacturer. The wide range of advanced technology available from these ATM manufacturers provides us with advanced features and reliability through diagnostics and self-testing routines. The different machine types can perform basic functions, such as dispensing cash and displaying account information. All of our ATMs are modular and upgradeable so they can be adapted to provide additional services in response to changing technology and consumer demand.

In addition to the ATMs, equipment used in our operations include a SIM based systems or VSAT terminals, power backups (including uninterruptible power supply (UPS) systems and long duration batteries) and other supplies to secure the connectivity and security of our machines.

ATM maintenance

Routine maintenance is conducted by our equipment suppliers/manufacturers and our local franchisees. Remedial hardware maintenance, replacement of parts and preventive maintenance is provided through our equipment suppliers/manufacturers through service level agreements.

ATM relocations and shutdowns

We shutdown an ATM at a particular location for a variety of reasons including, but not limited to, the change in use of the location (including road widening projects of the Government), the reduction or elimination of foot or vehicle traffic at a location and/or the failure of a machine to achieve sufficient transaction volume on a sustained basis. When we shutdown an ATM, we usually relocate the machine to a new location. We consider this shutdown and relocation process as an essential part of maintaining the profitability of our business. In the three months ended June 30, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, 55, 361, 261 and 153 ATMs, respectively.

Points of Sale Terminals ("POS")

As of March 31, 2021, we had 1,729 POS terminals that we operate for one private foreign bank. We deploy and manage the POS terminals at merchant locations as advised by our client. We are responsible for operation and management of the POS terminals including transaction processing and reconciliation. We own the POS devices, and we receive a fixed monthly technical fee per device for all the services that we provide. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, we earned revenue from our POS business of ₹24.09 million, ₹41.95 million and ₹55.28 million, respectively, which represented 0.76%, 1.64% and 2.41%, respectively, of our total revenues.

Competition

The ATM market in India is competitive, and our competitors are divided into two categories: (i) bank owned ATMs and (ii) white label ATM operators who, like our Company, operate their own independent ATM businesses. We compete with other ATM companies and banks on the basis of the quality of our services including customer availability of our ATMs, convenience of the ATM machines, reach of the ATM distribution network and brand recognition, as well as information technology capabilities.

An increase in the ATM operations of existing competitors or the entry of additional ATM operators offering a similar or a wider range of products and services could increase competition. In addition, any moderation of growth in the ATM sector could lead to greater competition for business opportunities. The RBI has recently encouraged new white label ATM operators in the ATM sector by allowing banks to co-brand ATM cards and display advertisements and to streamline the authorisation (on tap) process for new operators. These and other similar initiatives may result in greater competitive pressure for existing operators.

ATMs, in general, also compete with fast growing use of digital payments in India including internet banking, point of sale terminals, bank pre-paid cards, mobile wallets, unstructured supplementary service data (USSD), Aadhaar enabled payment system (AEPS) offered by the NPCI using the customers' "Aadhaar" unique identification numbers and the unified payments interface (UPI) offered by the NPCI, which is an instant real-time payment system.

For more information, see "*Industry Overview – Overview of the Indian ATM Industry*" on page 129 and "*Risk Factors – Our ATM market in India is competitive and our strategy and success depends on our ability to compete effectively"* on page 42.

Information Technology

We strive to use information technology as a strategic tool for our business operations to gain a competitive advantage and to improve our ATM and POS uptime, efficiency and customer satisfaction. We have implemented redundant /high availability hardware and links in our network infrastructure that help us to keep maximum uptime for our ATM systems even in the occurrence of a network outage. As part of our strategy, we continually look to further enhance our digital tools and capability to improve our customer engagement and product offering.

We have a robust information security management system framework, that comply with the necessary security and regulatory standards, to protect and safeguard the critical information of all stakeholders in order to ensure secure business operations. We have also implemented major security initiatives including IPS /Anti-spoofing/TLS enabled next generation firewall and rules enabled to limit access and services to the specific sources and destinations. In addition, we have implemented an e-surveillance system at all ATM locations including franchised ATMs.

Our data centre is hosted in Bengaluru with a disaster recovery ("DR") site located in Chennai. We have a business continuity plan, which is periodically tested with DR drills that ensures our utmost preparedness for dealing with any technological disruptions with zero data loss and near real time recovery providing uninterrupted ATM services.

Intellectual Property

Our trade name "*india1ATM*" and our logo "*india1ATM*" are registered (under class 9 and class 36) with the Trademarks Registry, Mumbai. Other registered trade names which are registered with the Trademarks Registry, Mumbai: (a) are "*BTI india1ATM*" (under class 9 and class 36); and (b) "*BTI*" (under class 36) are registered with the Trademarks Registry, Mumbai. For further details, see *"Risk Factors –Our intellectual property rights may be subject to infringement or we may breach third party intellectual property rights"* on page 46.

Employees

As of June 30, 2021, we had 205 employees of which 31 were administrative, finance and leadership staff, 80 were sales and marketing staff, 88 were operations and projects staff and 6 were IT staff. Our employee compensation includes basic salary and allowances such as house rental allowances, leave and travel allowances, group medical insurance coverage and basic retirement benefits, including provident fund, gratuity for eligible employees and annual performance bonus. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our attrition rate was 11.71%, 16.11 % and 20.11%, or 26, 34 and 38 employees, respectively.

We provide our employees regular training to enable them to effectively address operational, system and regulatory issues as it relates to our ATM business. We have a structured induction training for all the new joiners to get acquainted with our business and the various functions. We also provide additional vocational, technical and operational training to our employees. We were certified as a "Great Place to Work" by the Great Place to Work Institute for small and mid-sized companies since March 2018 and are currently certified from June 2021 to June 2022.

Our employees are not members of organised labour unions. We have not had any instances of strikes or work stoppages. See "*Risk Factors - We may face labour disruptions that could adversely affect our business, results of operations and financial condition"* on page 44.

Insurance

We maintain ongoing insurance policies in respect of our ATMs, cash in the ATMs, cash in transit, office automation, furniture and fixtures, electronic equipment and other valuables. These assets are insured against burglary, theft, fire and perils. We also maintain a cyber insurance policy and an employee group personal accident insurance policy. In addition, we also maintain a directors and officers liability insurance policy. We maintain all material insurance policies commonly required for our operations in India. See "*Risk Factors — Risk Relating to our Business — Our insurance coverage may be inadequate to cover claims. If we incur substantial uninsured loss or loss that exceeds our insurance coverage, it could have a material adverse effect on our business, results of operations and financial condition*." on page 40.

Legal Proceedings

We a party to various legal proceedings, which are pending before various courts and other forums in the ordinary course of our business. For more information, see "*Outstanding Litigation and Material Development*" on page 295 and "*Risk Factors - There are pending litigations against our Company and certain of our Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations and financial condition.*" on page 38.

Properties

As of June 30, 2021, our network included 8,520 ATMs. Our ATMs are functioning from leased premises. Our registered and corporate office is located at Corporate Tower B – 8 floor, 150 Diamond District, HAL Old Airport Road, Bengaluru , Karnataka, India - 560008 and is a leased premises. See "*Risk Factors - Our ATMs and our registered and corporate office are located on premises that have been taken on lease. The termination of any of these leases or non – renewal or premature termination of the existing lease agreements may cause disruption in* *our operations. In addition, increases in rental amounts for leased premises may increase our operating expenses.*" on page 40.

For more information on our ATM network, see above "*-Our ATM Deployment*" on page 165.

KEY REGULATIONS AND POLICIES IN INDIA

The following is an overview of certain key laws and regulations in India which are applicable to the operations of our Company. The information available in this chapter has been obtained from various legislations, rules and regulations made thereunder and other regulatory requirements available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.

Payment and Settlement Systems Act, 2007 (the "PSS Act")

The PSS Act and the rules made thereunder regulate and supervise the payment and settlement systems in India and designates RBI as the authority for such purpose and connected matters. Under the PSS Act, a payment system means a system that enables payment to be effected between a payer and a beneficiary, involving clearing, payment or settlement services or all of them and includes systems which enable credit or debit or smart card operations, money transfer operations or similar operations and a system provider means a person who operates an authorised payment system. The PSS Act is not applicable to stock exchanges or the clearing corporations of the stock exchanges.

Any person who wishes to operate a payment system is required to apply for an authorisation from the RBI under the PSS Act. If a system provider fails to comply with the provisions of the PSS Act, the terms of the authorisation and orders or directions issued by the RBI, then the RBI may revoke the authorisation given to such system provider. The RBI may also impose fines and initiate criminal prosecution in case of any such non-compliance.

Further, pursuant to notification dated April 6, 2018, the RBI directed all system providers to ensure that the data relating to payment systems operated by them are stored in a system only in India. However, such data may also be stored in the foreign country, if required, for the foreign leg of the transaction, if any.

In August 3, 2021, the RBI issued a framework for outsourcing of payment and settlement related activities by payment system operators which is applicable to non-bank payment system operators and seeks to put in place minimum standards to manage risks in outsourcing of payment and/or settlement related activities (including other incidental activities like on-boarding customers and information technology based services). It sets out that the payment system operators that are outsourcing activities need to ensure, *inter alia*, the following: (a) exercising due diligence, ensuring sound and responsive risk management practices for effective oversight and managing the risks arising from such outsourcing of activities; and (b) outsourcing arrangements do not impede its effective supervision by RBI. Such outsourcing of activities by the payment system operators shall not require prior approval from the RBI. Further, the payment system operators shall ensure that all their outsourcing arrangements, including the existing ones, are in compliance with the aforesaid framework before March 31, 2022.

Guidelines on White Label ATMs

In June 2012, the RBI permitted non-bank entities incorporated in India under the Companies Act, 1956 to set up, own and operate ATMs in India, subject to compliance with certain conditions, including obtaining an authorisation certificate from the RBI under the PSS Act.

The guidelines on White Label ATMs in India issued by the RBI on June 20, 2012, as amended (the "**WLA Guidelines**") prescribe the following eligibility criteria for WLA operators:

(a) The memorandum of association of the applicant entity is required to cover the proposed activity of operating WLAs.

(b) In case of any FDI in the applicant entity, necessary approval from the competent authority as required under the policy notified by DIPP under the consolidated policy on FDI and regulations framed under the FEMA are required to be submitted while seeking authorisation.

(c) Non-bank entities are required to have a net worth of at least Rs. 1,000 million as per the last audited balance sheet.

(d) A net worth of at least Rs. 1,000 million is required to be maintained at all times.

The authorisation for setting up a WLA operation under the WLA Guidelines was initially valid for a period of one year. The scheme and number of WLAs sought to be installed is required to be indicated at the time of application. The details of the schemes are as set forth below:

Scheme A

A minimum of 9,000 WLAs is required to be installed in three years.

(a) Year one: minimum of 1,000 WLAs;

(b) Year two: minimum of twice the number of WLAs installed in year one; and

(c) Year three: minimum of three times the number of WLAs installed in year two.

The ratio of 3:1 would be applicable under this scheme, *i.e.*, for every three WLAs installed in Tier III to VI centres, one WLA can be installed in Tier I to II centres. Out of the three WLAs installed in Tier III to VI centres, a minimum of 10% should be installed in Tier V and VI centres.

Scheme B

A minimum of 5,000 WLAs is required to be installed every year for three years.

The ratio of 2:1 would be applicable under this scheme, *i.e.*, for every two WLAs installed in Tier III to VI centres, one WLA can be installed in Tier I to II centres. Out of the WLAs installed in Tier III to VI centres, a minimum of 10% should be installed in Tier V and VI centres.

Scheme C

A minimum of 25,000 WLAs in the first year and at least another 25,000 in the next two years are required to be installed.

The ratio of 1:1 would be applicable under this scheme. Out of the WLAs installed in Tier III to VI centres, a minimum of 10% should be installed in Tier V and VI centres.

Certain other conditions relating to the schemes include the following:

(a) The authorisation issued to a WLA operator cannot be assigned or transferred without prior approval of the RBI.

(b) No switchover of schemes is permissible. The date for determining the time line for implementation would commence 30 days after issuance of the authorisation.

(c) WLA operators would need to seek extension of their authorisation, if required, three months prior to the completion of one year for continued operation of the system.

The WLA Guidelines state that the above targets will form part of the terms and conditions of the authorisation given under Section 7 of the PSS Act and are expected to be complied with. Necessary certificates indicating adherence to annual targets and ratios would be submitted by the WLA operator to the RBI within a month of completion of one year.

The WLA Guidelines also provide, *inter-alia*, that:

(a) WLA operators are not entitled to charge any fee from the card issuer-bank other than the interchange fee that is payable to the acquirer bank, with respect to bank owned ATMs;

(b) while WLA operators are entitled to receive a fee from the banks for the use of ATM resources by the banks' customers, they are not permitted to charge bank customers directly for the use of WLAs; and

(c) general guidelines governing the operation of the bank operated ATMs as well as the regulatory guidelines relating to compensation for failed transactions at bank ATMs would apply to the transactions effected at such WLAs.

The WLA Guidelines further indicate certain roles and responsibilities of the stakeholders (the WLA operator, the sponsor bank, network operators) which include, *inter-alia*, the following:

(a) Taking over of ATMs operated by banks is not permitted.

(b) WLA operators are permitted to have more than one sponsor bank. All the transactions of WLAs services by a sponsor bank would be settled through it. WLA operators are required to ensure that there are no operational constraints particularly with reference to security and customer service while considering multiple sponsor bank relationship.

In December 2014, the RBI decided, *inter alia*, the following:

(a) allowed WLAs to accept international credit/debit/prepaid cards (i.e. the cards issued under card payment network schemes authorised under the PSS Act). The WLA operators are required to ensure that they have established technical connectivity with the respective card network operators either directly or through their sponsor banks. However, in the case of cards issued under any other card scheme, the routing and settlement should take place based on the bilateral arrangement put in place by the existing authorised networks for such purpose;

(b) permitted the facility of dynamic currency conversion for the use of international cards at WLAs if the operator so decides to implement such facility. The currency conversion rate will only be obtained from authorised dealer bank. The WLA operator(s) will be restricted to converting the amount requested by the international cardholder (as applicable) to his home currency using a base exchange rate provided by the authorised dealer bank;

(c) enabled delinking cash supply from that of sponsor bank arrangements. The WLA operators may now tie up with other commercial banks for cash supply at WLAs. While the cash would be owned by the WLA operators, the responsibility of ensuring the quality and genuineness of cash loaded at such WLAs would be that of the cash supplier bank. Suitable service level agreements may be drawn up between the WLA operators and the cash supplier bank for adequate supply of genuine and good quality notes; and

(d) the WLA operators who have been authorised under PSS Act and have commenced operations are required to intimate RBI regarding commencement of the services indicated in paragraphs (a), (b) and (c) above.

The RBI issued a circular dated June 21, 2018 which requires WLAs to initiate immediate action in implementing certain control measures, including (a) implementing security measures such as Basic Input Output System password, disabling USB ports, disabling auto-run facility, applying the latest patches of operating system and other softwares, terminal security solution, time-based administrator access, etc., (b) implementing anti-skimming and white-listing solution and (c) upgrading ATMs with supported versions of operating system. The above measures are required to be implemented in a phased manner, within the prescribed timelines.

In March 2019, the RBI, pursuant to review of the WLA Guidelines, allowed WLA operators to: (a) buy wholesale cash, above a threshold of 1 lakh pieces (and in multiples thereof) of any denomination, directly from the Reserve Bank (Issue Offices) and currency chests against full payment (*which has been reduced to 10,000 pieces vide the letters dated May 16, 2019 and March 22, 2021 issued by the RBI (Issue Offices) and Currency Chests to our Company*); (b) source cash from any scheduled bank, including cooperative banks and regional rural banks; (c) offer bill payment and interoperable cash deposit services, subject to technical feasibility and certification by National Payments Corporation of India; (d) display advertisements pertaining to non-financial products/services anywhere within the WLA premises, including the WLA screen, except the main signboard. It shall be ensured that the advertisements running on the screen disappear once the customer commences a transaction. Further, the banks may issue co-branded ATM cards in partnership with the authorised WLA operators and may extend the benefit of 'on-us' transactions to their WLAs as well. In addition, the aforesaid directive stated that all guidelines, safeguards, standards and control measures applicable to banks relating to currency handling and cyber-security framework for ATMs shall also be applicable to the WLA operators.

The RBI issued a letter dated December 18, 2019 titled 'White Label ATM Operations – Review of guidelines and deployment targets' to our Company wherein the RBI has set out the following decisions: (a) repeal of the concept of schemes and the applicable annual WLA deployment targets and sub-targets thereunder; (b) deployment of WLAs in the ratio of 1:2:3 for Metro & Urban: Semi-urban and Rural regions respectively from the date of the letter; (c) the WLAO may deploy adequate WLAs in rural regions per the ratio and may not deploy any WLAs in metro or urban regions as the ratio is in favor of the rural regions; and (d) a minimum of 1000 ATMs to be deployed every year and the target to be monitored from the calendar year 2020 for an initial period of 3 years.

Pursuant to the directive issued on June 10, 2021, the RBI decided, *inter alia*: (a) to allow increase in interchange fee per transaction from Rs. 15 to Rs. 17 for financial transactions and from Rs. 5 to Rs. 6 for non-financial transactions in all centres, which shall be effective from August 1, 2021; (b) that customers are eligible for five free transactions (inclusive of financial and non-financial transactions) every month from their own bank ATMs; (c) that they are also eligible for free transactions (inclusive of financial and non-financial transactions) from other bank ATMs i.e. three transactions in metro centres and five transactions in non-metro centres and (d) to compensate the banks for the higher interchange fee and given the general escalation in costs, they are allowed to increase the customer charges to Rs. 21 per transaction and such increase will be effective from January 1, 2022.

The RBI, in July 2021, released instructions titled 'Access for non-banks to Centralised Payment Systems' in its attempt to encourage participation of non-banks in RBI operated Centralised Payment Systems ("**CPS**") viz. Real Time Gross Settlement (RTGS) and National Electronic Fund Transfer (NEFT) systems, in a phased manner. Further, the RBI directed that in the first phase, authorised non-bank payment service providers, viz. prepaid payment instruments issuers, card networks and white label ATM operators shall be eligible to participate in CPS as direct members in accordance with the instructions. The non-bank payment service providers are required to fulfill, *inter alia*, the following criteria: (a) valid certificate of authorisation from the RBI under the PSS Act; (b) net worth of Rs. 25 crores or as prescribed under the certificate of authorisation issued by the RBI, whichever is higher; (c) incorporation in India under the Companies Act, 1956/2013; and (d) implementation of centralised processing systems; (e) compliance with local payment data storage requirements issued by the RBI.

Pursuant to the circular dated August 10, 2021 issued by the RBI, the RBI decided that all banks and WLA operators shall strengthen their systems/mechanisms to monitor availability of cash in all ATMs operated by such banks and WLA operators, and ensure timely replenishment to avoid any cash-outs. Further, any non-compliance in this regard shall attract monetary penalty as stipulated in the annex to the aforesaid circular (*Scheme of Penalty for non-replenishment of ATMs*), including a flat penalty of Rs. 10,000 per ATM in case of any cash-out at any ATM of more than 10 hours in a month. In case of WLAs, such penalty shall be charged to the bank which is meeting the cash requirement of that particular WLA. This circular shall become effective from October 1, 2021.

Information Technology Act, 2000 (the "IT Act")

The IT Act provides legal recognition to electronic records and creates a mechanism for the authentication of electronic documentation through digital signatures. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorised access to computer systems, damaging such systems or modifying their contents without authorisation, unauthorised disclosure of confidential information and committing of fraudulent acts through computers. The IT Act creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability.

In April 2011, the Department of Information Technology under the Ministry of Communications & Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 under section 43A of the IT Act (the "**IT Personal Data Protection Rules**") and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act (the "**IT Intermediaries Rules**"). The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

Foreign Ownership of Indian Securities

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") read with the applicable regulations and rules. FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of

Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes and press releases, which are notified by the RBI as amendments to FEMA. In case of any conflict, FEMA shall prevail. Therefore, the regulatory framework, over a period consists of acts, regulations, press notes, press releases, and clarifications, among other amendments. The DIPP issued the consolidated FDI policy circular of 2017 dated August 28, 2017 (the "**FDI Circular**") which consolidates the policy framework on FDI issued by DIPP, in force on August 27, 2017 and reflects the Consolidated FDI Policy as on August 28, 2017. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP.

Pursuant to the notification dated February 15, 2016 issued by the RBI i.e. Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) (Second Amendment) Regulations, 2016, foreign investment in relation to white label ATM operations was allowed up to 100% under the automatic route subject to certain conditions.

Laws Relating to Employment

Our operations are subject to compliance with certain additional labor and employment laws in India. These include, but are not limited to, the following:

(a) the Contract Labour (Regulation and Abolition) Act, 1970;

(b) the Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(c) the Employees' State Insurance Act, 1948;

(d) the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;

(e) the Maternity Benefit Act, 1961;

(f) the Payment of Bonus Act, 1965;

(g) the Payment of Gratuity Act, 1972;

(h) the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

(i) the Code on Wages, 2019*;

(j) the Industrial Relations Code, 2020*;

(k) the Code on Social Security*;

(l) the Occupational Safety, Health and Working Conditions Code, 2020*;

(m) the labor welfare fund legislations of relevant states; and

(n) the shops and establishments legislations of relevant states.

***** *The Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.*

Other legislations

The Company is subject to compliance with provisions of the Trade Marks Act, 1999 for operating trademarks in relation to its business. In addition, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations. Our Company is also amenable to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on June 30, 2006 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, with the name "Banktech India Private Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Maharashtra at Mumbai. The registered office of our Company was shifted from Mumbai, Maharashtra to Bengaluru, Karnataka, to ensure greater operational efficiency, and a certificate of registration of the Company Law Board order for change of state was issued to us by the RoC on August 8, 2009. Subsequently, the name of our Company was changed to "BTI Payments Private Limited" pursuant to our Shareholders' resolution dated January 31, 2013 and a fresh certificate of incorporation was issued by the RoC on February 18, 2013. The name of our Company was further changed to "India1 Payments Private Limited" pursuant to our Shareholders' resolution dated August 17, 2021, to appropriately reflect our brand name, and a fresh certificate of incorporation was issued by the RoC on August 25, 2021. Pursuant to the conversion of our Company to a public limited company and as approved by our Shareholders pursuant to a resolution dated August 26, 2021, the name of our Company was changed to "India1 Payments Limited" and the RoC issued a fresh certificate of incorporation on September 2, 2021.

Changes in the registered office

Details of changes in the registered office of our Company since the date of incorporation are as set forth below:

Effective date	Details of change	Reasons for change
July 22, 2009	The address of the registered office of our Company was changed from 204, Palladio, Hiranandani Estate, Patlipada, Ghodbunder Road, Thane-West, Thane, Maharashtra, India 400 604 to Evoma, # 14, Bhattarahalli, Old Madras Road, Near Garden City College, K R Puram, Bengaluru, Karnataka, India 560 049	To ensure greater operational efficiency
August 10, 2009	The address of the registered office of our Company was changed from Evoma, # 14, Bhattarahalli, Old Madras Road, Near Garden City College, K R Puram, Bengaluru, Karnataka, India 560 049 to 3rd Floor, Sigma Chambers, 1307, HAL III Stage, Jeevan Bhima Nagar Main Road, Bengaluru, Karnataka, India 560 075	To centralise the operations
October 1, 2012	The address of the registered office of our Company was changed from 3rd Floor, Sigma Chambers, 1307, HAL III Stage, Jeevan Bhima Nagar Main Road, Bengaluru, Karnataka, India 560 075 to No. 16/1, 4th Floor, Wings, Cambridge Road, Halasuru, Bengaluru, Karnataka, India 560 008	For operational convenience
October 26, 2015	The address of the registered office of our Company was changed from No. 16/1, 4th Floor, Wings, Cambridge Road, Halasuru, Bengaluru, Karnataka, India 560 008 to Units No. 801 to 810, 8th Floor, Tower "B", Diamond District, # 150, Old Airport Road, Bengaluru, Karnataka, India 560 008	For sufficient space for office premises

Main objects of our Company

The main objects as contained in the Memorandum of Association of our Company are:

1. "*To carry on the business of deployment of Automated Teller Machines (ATM), electronic ticketing machines, Cash dispensing machine, Gaming machines and product dispensing machines and the provision of ongoing ATM services for banks and financial institutions; own and /or manage a network of ATMs and/or EFTPOS terminals throughout India; the provision of ATM and EFTPOS Transaction processing services in India; and services related to other retail banking products and services.*

2. *To set up, own and operate Automated Teller Machines (ATMs) in India under the concept of "White Label ATMs (WLAs) and to act as White Label ATM Operators (WLAO) and to provide entire services relating operation of White Label ATMs in India and to enter into agreement with various intermediaries under WLAs for setting up and operation of White Label ATMs in India.*

3. *To carry on financial technology and information technology enabled-services businesses of any kind, including in relation to digital or economic payment and settlement systems and solutions, such as digital wallets, pre-paid cards, payment and settlement solutions involving mobile-phone or other mobile-device based commerce (m-commerce) or electronic commerce (e-commerce), phone-banking /phone-based financial services related technology and support services, blockchain-based or other digital or electronic payment and settlement systems, and other related payment and settlement financial and*

technology based services and solutions, including using any future innovations in financial services technology and related technologies, as well as conducting such businesses by enabling telecom operators and enterprise merchants to offer m-commerce and e-commerce services through such systems, such as micro-ATM services at merchant locations, mobile prepaid recharge, data card recharge, DTH or OTT recharge or payment, post-paid mobile bill payment, landline bill payment, movie ticketing, travel bookings, shopping, utility bill payment to subscribers, money transfers, loyalty schemes, gift cards, coupons, and the purchase of other goods and services.

4. To act as a business correspondent, agent, subagent, representative, facilitator, liaison, advisor, consultant, surveyor, researcher, distributor, executor, commission agent, broker, sub broker, administrator, franchiser or other intermediary, to carry on the business of discounting services, financial inclusion services, customer management and customer servicing, cash management and handling services, and related services, including customer identification, customer acquisition, customer data collection, documentation, expanding access to services through information and communication technology, establishment of business correspondent locations and kiosks, providing support to business correspondent units and supervision of business correspondent operations at satellite offices for business promotion of any persons (whether individuals, firms, companies, bodies corporate, government agencies, public body, or other persons or entities) and all other related businesses, as per the applicable regulations issued by the Reserve Bank of India and under other applicable laws."

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association of our Company in the last 10 years:

Date of Shareholders' resolution	Nature of amendment
February 15, 2012	The authorised share capital of our Company was increased from ₹ 6,000,000 divided into 600,000 equity shares of ₹ 10 each to ₹ 15,000,000 divided into 1,500,000 equity shares of ₹ 10 each.
December 13, 2012	Clause III(A) of the Memorandum of Association was amended by addition of the following new clause after the existing sub-clause 1: "*2. To set up, own and operate Automated Teller Machines (ATMs) in India under the concept of "White Label ATMs (WLAs) and to act as White Label ATM Operators (WLAO) and to provide entire services relating operation of White Label ATMs in India and to enter into agreement with various intermediaries under WLAs for setting up and operation of White Label ATMs in India.*"
	Clauses III(B) and III(C) of the Memorandum of Association were amended to reflect renumbering.
	The authorised share capital of our Company was increased from ₹ 15,000,000 divided into 1,500,000 equity shares of ₹ 10 each to ₹ 60,000,000 divided into 6,000,000 equity shares of ₹ 10 each.
January 31, 2013	Clause I of the Memorandum of Association was amended to change the name of our Company from "*Banktech India Private Limited*" to "*BTI Payments Private Limited*".
March 13, 2014	The authorised share capital of our Company was increased from ₹ 60,000,000 divided into 6,000,000 equity shares of ₹ 10 each to ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each.
May 5, 2015	The authorised share capital of our Company was increased from ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each to ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each.
October 18, 2016	The authorised share capital of our Company was re-classified from 10,000,000 equity shares of ₹ 10 each aggregating to ₹ 100,000,000 to 9,500,000 equity shares of ₹ 10 each aggregating to ₹ 95,000,000 and 500,000 preference shares of ₹ 10 each aggregating to ₹ 5,000,000.
June 27, 2017	The authorised share capital of our Company was increased from ₹ 100,000,000 divided into 9,500,000 equity shares of ₹ 10 each and 500,000 preference shares of ₹ 10 each to ₹ 120,000,000 divided into 9,500,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹ 10 each.
March 21, 2018	The authorised share capital of our Company was increased from ₹ 120,000,000 divided into 9,500,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹ 10 each to ₹ 127,500,000 divided into 10,250,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹ 10 each.

Date of Shareholders' resolution	Nature of amendment
August 14, 2019	The authorised share capital of our Company was increased from ₹ 127,500,000 divided into 10,250,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹ 10 each to ₹ 152,500,000 divided into 10,250,000 equity shares of ₹ 10 each and 5,000,000 preference shares of ₹ 10 each.
July 13, 2021	The headings of clauses III(A) and III(B) of the Memorandum of Association were amended to comply with the provisions of the Companies Act.
	Clause III(A)(1) of the Memorandum of Association was amended to substitute the word "*EFTOPS*" with "*EFTPOS*".
	Clause III(A) of the Memorandum of Association was amended by addition of the following new clauses after the existing sub-clause 2: "*3. To carry on financial technology and information technology enabled-services businesses of any kind, including in relation to digital or economic payment and settlement systems and solutions, such as digital wallets, pre-paid cards, payment and settlement solutions involving mobile-phone or other mobile-device based commerce (m-commerce) or electronic commerce (e-commerce), phone-banking /phone-based financial services related technology and support services, blockchain-based or other digital or electronic payment and settlement systems, and other related payment and settlement financial and technology based services and solutions, including using any future innovations in financial services technology and related technologies, as well as conducting such businesses by enabling telecom operators and enterprise merchants to offer m-commerce and e-commerce services through such systems, such as micro-ATM services at merchant locations, mobile prepaid recharge, data card recharge, DTH or OTT recharge or payment, post-paid mobile bill payment, landline bill payment, movie ticketing, travel bookings, shopping, utility bill payment to subscribers, money transfers, loyalty schemes, gift cards, coupons, and the purchase of other goods and services.* *4. To act as a business correspondent, agent, subagent, representative, facilitator, liaison, advisor, consultant, surveyor, researcher, distributor, executor, commission agent, broker, sub broker, administrator, franchiser or other intermediary, to carry on the business of discounting services, financial inclusion services, customer management and customer servicing, cash management and handling services, and related services, including customer identification, customer acquisition, customer data collection, documentation, expanding access to services through information and communication technology, establishment of business correspondent locations and kiosks, providing support to business correspondent units and supervision of business correspondent operations at satellite offices for business promotion of any persons (whether individuals, firms, companies, bodies corporate, government agencies, public body, or other persons or entities) and all other related businesses, as per the applicable regulations issued by the Reserve Bank of India and under other applicable laws.*"
	Clause III(B) of the Memorandum of Association was amended by addition of the following new clauses after the existing sub-clause 37: "*38. To carry on and transact in India or elsewhere, in any manner whatsoever, businesses to establish, organize, manage, distribute, provide, conduct, sponsor and commercialize, all or any kinds of insurance products, including general insurance, life insurance, health and medical insurance, including but not limited to, indemnity or guarantee businesses of all kinds, classes, nature and description, and miscellaneous insurances and all branches of fire, marine, aviation, accident, motor vehicle, employer liability, workmen's compensation, disease, sickness, survivorship, failure of issue, third party liability, burglary and robbery, theft, fidelity and transit insurance and insurances covering any liability under any law, convention or agreement and to act as agent, representative, surveyor, sub insurance agent, franchiser, consultant, advisor, collaborator, or otherwise to deal in all incidental and allied activities related to life, general and health insurance business.* *39. To carry on the business of building, using or exploiting technology innovations in financial literacy and education, retail banking, investment and any new innovative products or services that may arise in the field of finance or technology, producing software products and operate technology platforms that provide value added services to banks, enterprises, retailers and end customers, software design, we-based applications, software as a service, development, customization, implementation, maintenance, testing, distribution, hosting, ownership or dealing in third-party computer software packages, applications and solutions, provision of related assignments or services on contract or sub-contracting basis, and offering services on-site/ or offsite services, or through development centers using owned or hired or third-party infrastructure and equipment, and providing sales promotion techniques, solutions and services to retailers and manufacturers in India and abroad, through any media, including, internet, mobile, broadband or OTT-networks.*

Date of Shareholders' resolution	Nature of amendment
	40. To carry on the business of financiers by granting of loans, advances or otherwise."
	Clause III(C) of the Memorandum of Association containing other objects was deleted to the extent not included in Clauses III(A) and (B) to comply with the provisions of the Companies Act.
	Clause III of the Memorandum of Association was amended to replace references to the provision of the Companies Act, 1956 with references to the provision of the Companies Act, 2013.
	Clause IV of the Memorandum of Association was amended to comply with the provisions of the Companies Act.
August 6, 2021	The authorised share capital of our Company was increased from ₹ 152,500,000 divided into 10,250,000 equity shares of ₹ 10 each and 5,000,000 preference shares of ₹ 10 each to ₹ 225,000,000 divided into 17,500,000 equity shares of ₹ 10 each and 5,000,000 preference shares of ₹ 10 each.
August 13, 2021	Clause V of the MoA was amended to reflect the sub-division of each equity share of our Company of face value of ₹ 10 each fully paid-up into two Equity Shares of our Company of face value of ₹ 5 each. Therefore, our authorized share capital was amended from ₹ 225,000,000 divided into 17,500,000 equity shares of ₹ 10 each and 5,000,000 preference shares of ₹ 10 each to ₹ 225,000,000 divided into 35,000,000 Equity Shares of ₹ 5 each and 5,000,000 preference shares of ₹ 10 each.
August 17, 2021	Clause I of the Memorandum of Association was amended to change the name of our Company from "*BTI Payments Private Limited*" to "*India1 Payments Private Limited*".
August 26, 2021	The name of our Company was changed from "*India1 Payments Private Limited*" to "*India1 Payments Limited*", consequent upon conversion of our Company from a private limited company to a public limited company.

Major events and milestones

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Events
2006	Our Company was incorporated in Mumbai, Maharashtra as "Banktech India Private Limited", as a 100% subsidiary of The Banktech Group, one of our corporate Promoters
2013	Initial investment of around ₹ 470 million was made into our Company by India Advantage Fund S3 I
2014	• Our Company received the certificate of authorisation from the RBI under the PSS Act to set up, own and operate WLAs under Scheme 'A' of the RBI's WLA guidelines dated June 20, 2012, which is subject to renewal from time to time • Launched our first ATMs in Gubbi town in Karnataka, and expanded rollout in Tamil Nadu, Kerala, Andhra Pradesh and Uttar Pradesh
2015	Achieved an '*ATM deployment*' milestone of over a 1,000 ATMs
2016	Further investment of ₹ 975.69 million was made into our Company by our corporate Promoter, BTI Payments Singapore and India Advantage Fund S3 I
2019	• Achieved an '*ATM deployment*' milestone of over 5,000 ATMs • Further investment of ₹ 1,050 million was made into our Company by our corporate Promoter, BTI Payments Singapore, India Advantage Fund S4 I and Dynamic India Fund S4 US I
2021	• Further investment of around ₹ 445 million was made into our Company by our corporate Promoter, BTI Payments Singapore • Upgrade of our long-term rating from "*IND BBB+*" to "*IND A-*" by India Ratings and Research • Upgrade of our long-term rating from "*[ICRA] BBB (Stable)*" to "*[ICRA] A-(Stable)*" by ICRA • Achieved an '*ATM deployment*' milestone of over 9,000 ATMs

Awards and Accreditations

Set forth below are some of the significant awards and accreditations received by our Company.

Calendar Year	Awards and accreditations
2018	Our Company was awarded the winner's trophy under the 'White Label ATM Operators' category for the year 2017 at the National Payments Excellence Awards Ceremony of the National Payments Corporation of India
2018-2021	Our Company has been certified as a 'Great Place to Work' consistently for the last 4 years

Launch of key products or services and entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation and location of ATMs, see "***Our Business***" and "***- Major events and milestones***" on pages 153 and 180, respectively.

Time/cost overrun

There have been no time/cost overruns pertaining to our Company's business operations.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with financial institutions or banks in respect of borrowings availed by us.

Guarantees given by our Promoter Selling Shareholders

Except as disclosed below, and as on the date of this Draft Red Herring Prospectus, no guarantee has been issued by the Promoter Selling Shareholders, to any third parties.

Our Promoter, The Banktech Group, has issued an irrevocable standby letter of credit ("**SBLC**") dated February 13, 2018, through Australia and New Zealand Banking Group Limited ("**ANZ**") in favour of IBM India Private Limited ("**IBM**"), for a maximum amount of Australian Dollars 150,000, to cover payments arising from an agreement between the Company and IBM in relation to the provision of ATMs and ancillary services. This SBLC is valid until June 30, 2023. Our Company has replaced this Banktech Group's SBLC by issuing a SBLC dated April 29, 2020 through ANZ in favour of IBM and has requested for the release of The Banktech Group's SBLC. Such release is currently awaited.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Inter-se Agreements between Shareholders

As on the date of this Draft Red Herring Prospectus, our Company, Promoters and Shareholders do not have any inter-se agreements/ arrangements and clauses / covenants which are material in nature and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. Also that there are no other agreements, deed of assignments, acquisition agreements, Shareholders' Agreement , inter-se agreements, agreements of like nature other than disclosed in this Draft Red Herring Prospectus.

Other Material Agreements

Investment and shareholders' agreement dated June 20, 2013, as amended from time to time entered into by and among (i) our Company, (ii) The Banktech Group, (iii) BTI Payments Singapore, (iv) IDBI Trusteeship Services Limited (in its capacity as a trustee of India Advantage Fund S3 I and India Advantage Fund S4 I), and (v) Dynamic India Fund S4 US I.

Our Company has entered into an investment and shareholders' agreement dated June 20, 2013 with (i) The Banktech Group; (ii) BTI Payments Singapore; (iii) IDBI Trusteeship Services Limited (in its capacity as a trustee of India Advantage Fund S3 I and India Advantage Fund S4 I); and (iv) Dynamic India Fund S4 US I, as amended by way of the amendment agreement dated June 21, 2013, second amendment agreement dated September 30, 2013, third amendment agreement dated May 29, 2015, fourth amendment agreement dated June 30, 2015, fifth amendment agreement dated November 2, 2015, sixth amendment agreement dated December 15, 2015, seventh amendment agreement dated October 16, 2017, eighth amendment agreement dated August 19, 2019 and the Amendment Agreement (*defined below*), and read with the deed of adherence dated August 19, 2019 by and among our Company, our corporate Promoters, IDBI Trusteeship Services Limited (in its capacity as a trustee of India Advantage Fund S3 I and India Advantage Fund S4 I) and Dynamic India Fund S4 US I (collectively, the "**Shareholders' Agreement**").

The Shareholders' Agreement, *inter alia*, sets out the *inter-se* rights and obligations of the parties thereto vis-à-vis our Company, and provides, subject to the terms and conditions contained therein, certain rights and obligations including without limitation: (i) pre-emption rights in the event of issue of new shares, (ii) anti-dilution adjustment right; (iii) right of first offer in the event of transfer of shares by any person; (iv) tag along rights in the event of any transfer of shares to any third party; (v) right of inspection; (vi) exit rights; (vii) information rights; (viii) reserved matters; and (ix) right to nominate directors and observer in the manner set out below:

- The Board comprises six members who are appointed as follows:

  (i) India Advantage Fund S3 I has the right to nominate one non-executive, Director;

  (ii) India Advantage Fund S4 I has the right to nominate one non-executive, Director; and

  (*provided however, both India Advantage Fund S3 I and India Advantage Fund S4 I have the right to nominate up to two non-executive, non-retiring directors on the Board*)

  (iii) our corporate Promoter, The Banktech Group, has the right to nominate up to three non-executive, directors on the Board.

- India Advantage Fund S3 I has the right to appoint one non-voting observer on the Board. The observer is entitled to receive notice of any Board meeting and attend all the Board meetings (including any committee meetings thereof).

Further, India Advantage Fund S3 I, India Advantage Fund S4 I and The Banktech Group shall agree on one executive, whole time Director who shall be the Managing Director of the Company.

In terms of the Shareholders' Agreement, all the rights of the Investor Selling Shareholders and the Promoters under the Shareholders' Agreement shall automatically fall away, without any further action by any party on the date on which the Equity Shares list and commence trading on the Stock Exchanges pursuant to the Offer, except for the right of the Investor Selling Shareholders and the corporate Promoters to nominate directors, subject to certain terms and conditions, and subject to the approval of the Shareholders by way of a special resolution in the first general meeting after the Listing Date, so long as each of the Investor Selling Shareholders or corporate Promoters hold at least 10% (ten percent) of our share capital on a fully diluted basis. If the holding of any of the Investor Selling Shareholders or corporate Promoters in our share capital on a fully diluted basis goes below 10% (ten percent), such nomination rights will be extinguished forever with respect to such Investor Selling Shareholders or the corporate Promoters. The Shareholders' Agreement may be terminated at any time, inter-alia, upon the mutual agreement of the parties.

Further, pursuant to a ninth amendment agreement dated September 7, 2021 to the Shareholders'Agreement executed between our Company, The Banktech Group, BTI Payments Singapore, India Advantage Fund S3 I, India Advantage Fund S4 I, and Dynamic India Fund S4 US I (the "**Amendment Agreement**"), waivers have been sought with respect to certain special rights available to the Selling Shareholders under the Shareholders' Agreement, in order to facilitate the proposed Offer process.

Promoter CCPS subscription agreement dated December 15, 2016 ("CCPS Subscription Agreement 1") entered into and among our Company, The Banktech Group and BTI Payments Singapore (both collectively, the "Promoters"), with India Advantage Fund S3 I as the confirming party, as amended from time to time.

Pursuant to CCPS Subscription Agreement 1, the Promoters subscribed to Promoter CCPS. Our Company allotted the Promoter CCPS in tranches to BTI Payments Singapore in the following manner: (a) 123,580 CCPS on December 15, 2016; (b) 295,703 CCPS on March 30, 2017; (c) 432,098 CCPS on July 4, 2017; (d) 160,493 CCPS on August 9, 2017; (e) 148,148 CCPS on September 18, 2017; and (f) 86,419 Promoter CCPS on October 30, 2017. The Promoter CCPS carry a non-cumulative dividend of 0.0001% per annum.

In terms of the CCPS Subscription Agreement 1, in the event of an IPO, the CCPS will be converted into Equity Shares, prior to our Company filing the Red Herring Prospectus with the relevant authorities. Upon conversion, and pursuant to an amendment agreement dated September 7, 2021 which became effective as on August 13, 2021 and a Shareholders resolution dated August 13, 2021, each Promoter CCPS will be converted into 2.82103 Equity Shares, subject to the anti-dilution mechanism set out in the CCPS Subscription Agreement 1.

Each of the parties to the CCPS Subscription Agreement 1 have provided customary representations and warranties to the other parties, including power and authority to enter into the agreement, performance of their respective obligations and non-violation or conflict with any applicable law. 1,246,441 Promoter CCPS shall be converted to Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance Regulation 5(2) of the SEBI ICDR Regulations.

Pursuant to the amendment agreement dated May 2, 2017, the Company modified the formula to calculate the share price based on which the Promoter CCPS will get converted into Equity Shares upon occurrence of Liquidation Conversion Trigger (*as defined in the CCPS Subscription Agreement 1*). Subsequently, pursuant to the amendment agreement dated August 19, 2019, the CCPS Subscription Agreement 1 was modified to replace in entirety the terms and conditions of the Promoter CCPS with the terms and conditions of the 2019 CCPS set out in the CCPS Subscription Agreement 2 (*defined below*).

CCPS subscription agreement dated August 19, 2019 ("CCPS Subscription Agreement 2") entered into and among our Company, The Banktech Group, BTI Payments Singapore, India Advantage Fund S4 I, Dynamic India Fund S4 US I (collectively the "New Investors") and India Advantage Fund S3 I, as amended from time to time.

Pursuant to CCPS Subscription Agreement 2, certain Promoters and the New Investors subscribed to 2019 CCPS. Our Company allotted the 2019 CCPS in tranches to BTI Payments Singapore and the New Investors in the following manner: (a) 197,531 CCPS to Dynamic India Fund S4 US I, 2,271,605 CCPS to India Advantage Fund S4 I and 123,457 CCPS to BTI Payments Singapore, respectively on August 20, 2019; (b) 692,469 CCPS to BTI Payments Singapore on January 21, 2021; and (c) 406,769 CCPS to BTI Payments Singapore on February 15, 2021. The 2019 CCPS carry a coupon rate of 0.0001% of the face value, payable as dividend annually from the date of allotment.

In terms of the CCPS Subscription Agreement 2, in the event of an IPO, the 2019 CCPS will be converted into Equity Shares, prior to our Company filing the Red Herring Prospectus with the relevant authorities. Upon conversion, and pursuant to an amendment agreement dated September 7, 2021 which became effective as on August 13, 2021 and a Shareholders resolution dated August 13, 2021, each 2019 CCPS will be converted into 2.82103 Equity Shares, subject to the anti-dilution mechanism set out in the CCPS Subscription Agreement 2.

Subject to the terms of the CCPS Subscription Agreement 2, our Company will indemnify the New Investors and the corporate Promoters and their directors, officers and employees against losses arising out of, among other things, breach or misrepresentation of any of the representations and warranties, covenants, terms and obligations provided by our Company under the CCPS Subscription Agreement 2 and the Shareholders' Agreement. Subject to CCPS Subscription Agreement 2, the indemnity claim does not cover losses exceeding Rs.1.00 billion and can only be claimed against our Company if the aggregate of all such indemnification claims exceeds Rs. 35 million and subject to de minimis amount of Rs.1.00 million with respect to each indemnification claim.

Pursuant to three separate amendment agreements dated September 3, 2020, January 11, 2021 and February 8, 2021, the CCPS Subscription Agreement 2 had been amended to extend the last date of allotment of 2019 CCPS to December 31, 2020, January 31, 2021 and February 15, 2021, respectively.

Holding company

The Banktech Group is the ultimate holding company of our Company. For details of our ultimate holding company, please see "***Promoters and Promoter Group - Details of our corporate Promoters***" on page 203.

Subsidiary of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

Joint ventures and associate companies of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures and associate companies.

Significant strategic and financial partnerships

As on the date of this Draft Red Herring Prospectus, our Company does not have any significant strategic or financial partners.

Key terms of other subsisting material agreements

Except as disclosed in "- ***Other Material Agreements***" above, our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company. For details with respect to agreements in relation to the business and operations of our Company, see "***Business***" on page 153.

Agreements or arrangements with Key Managerial Personnel, Director, Promoter or any other employee

There are no agreements or arrangements entered into by our Key Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is authorised to have a maximum of 15 Directors, in accordance with the provisions of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Board comprises 8 Directors, including 1 executive Director and 7 Non-executive Directors including 4 Independent Directors, of which 2 are women Directors. The present composition of the Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

The Board

The details regarding the Board, as on the date of this Draft Red Herring Prospectus, are set forth below.

Name, date of birth, designation, address, occupation, term, period of directorship and DIN of the Directors	Age (years)	Other directorships
R. Subramaniakumar *Date of birth:* June 15, 1959 *Designation:* Chairman and Independent Director *Present Address:* No. 2, Ragamalika Flats, 17-18, Mahalakshmi Avenue, Thiruvanmiyur, Chennai, Tamil Nadu, India – 600 041 *Occupation*: Service *Term:* Period of three years from September 1, 2021 *Period of directorship:* Since September 1, 2021 *DIN:* 07825083	62	*Indian Entities* Indian Financial Technology and Allied Services *Foreign Entities* Nil
K Srinivas *Date of birth:* September 2, 1963 *Designation:* Managing Director and Chief Executive Officer *Present Address:* Villa A-35, Windmills of Your Mind, No. 331, Road 5B, Next to L&T Infotech Epip Zone, Whitefield, Bengaluru, Karnataka, India – 560 066 *Occupation*: Service *Term:* Period of three years from September 1, 2021 *Period of directorship:* Since December 2, 2013 *DIN:* 03533535	58	*Indian Entities* • Confederation of ATM Industry • Konde Products & Services Private Limited *Foreign Entities* Nil
David Scott Glen *Date of birth:* March 13, 1963 *Designation:* Non-Executive Director	58	*Indian Entities* Nil *Foreign Entities* • 3P Card Services Pty Ltd. • Authentic ATM Pty Ltd.

Name, date of birth, designation, address, occupation, term, period of directorship and DIN of the Directors	Age (years)	Other directorships
Present Address: 299 Edgecliff Road, Woollahra New South Wales - 2025, Australia *Occupation*: Business *Term:* Liable to retire by rotation in accordance with applicable law *Period of directorship:* Since June 30, 2006 *DIN:* 02073436		• Banktech Australia Pty Ltd. • Banktech Managed Services Pty Ltd. • BT Payments International (Cambodia) Company Ltd. • BTI Payments (HK) Limited (formerly CashConnect Asia Ltd) • BTI Payments (Philippines) Inc. • BTI Payments Pte Ltd (Singapore) • EFTEX Pty Ltd. • Eltham Investments Pty Ltd • Genus Family Company Pty Ltd • Genus Investments Pty Ltd • Global Gaming Industries Pty Ltd. • Meridian Group Holdings Pty Ltd • Pharos Software Pty Ltd • S4 Superannuation Pty Ltd • The Banktech Group Pty Ltd • Utopia Gaming Services Pty Ltd. (formerly EFTEX Managed Services Pty Ltd)
Peter Alexander Blackett *Date of birth:* August 8, 1964 *Designation:* Non-Executive Nominee Director (*nominee of The Banktech Group*) *Present Address:* 4 Finchley Place, Glenhaven NSW, 2156, Australia *Occupation*: Service *Term:* Liable to retire by rotation in accordance with applicable law *Period of directorship:* Since August 14, 2013 *DIN:* 06649881	57	*Indian Entities* Nil *Foreign Entities* • BT Payments International (Cambodia) Company Ltd. • BTI Payments (Philippines) Inc. • PL Blackett Pty Ltd.
Nikhil Mohta *Date of birth:* December 26, 1977 *Designation:* Non-executive nominee Director (*nominee of India Advantage Fund S4 I*) *Present Address:* A 406, Oberoi Springs, Off Link Road, Andheri West, Mumbai, Maharashtra, India – 400 053 *Occupation*: Service *Term:* Liable to retire by rotation in accordance with applicable law *Period of directorship:* Since February 5, 2019	44	*Indian Entities* • Anthea Aromatics Private Limited • Catasynth Speciality Chemicals Private Limited • Crown Chemicals Private Limited • DRT – Anthea Aroma Chemicals Private Limited *Foreign Entities* Nil

Name, date of birth, designation, address, occupation, term, period of directorship and DIN of the Directors	Age (years)	Other directorships
DIN: 00932030		
Amrita Gangotra *Date of birth:* August 3, 1965 *Designation:* Independent Director *Present Address:* A-118 E, Sector 35, Noida, Uttar Pradesh, India – 201 301 *Occupation*: Self Employed *Term:* Period of three years from September 1, 2021 *Period of directorship:* Since September 1, 2021 *DIN:* 08333492	56	*Indian Entities* • Tanla Platforms Limited • Karix Mobile Private Limited *Foreign Entities* Nil
Natrajan Ramkrishna *Date of birth:* May 28, 1955 *Designation:* Independent Director *Present Address:* 201, Marvel Amora, 1st Main Road, Behind CMH Hospital, 225 Defence Colony, Bengaluru, Karnataka, India – 560 038 *Occupation*: Professional *Term:* Period of three years from September 1, 2021 *Period of directorship:* Since September 1, 2021 *DIN:* 06597041	66	*Indian Entities* • Vastu Housing Finance Corporation Limited • MAAM Employees Trustee Private Limited *Foreign Entities* Nil
Ruchita Taneja Aggarwal *Date of birth:* December 7, 1978 *Designation:* Independent Director *Present Address:* B3 - 203, Parsvnath Exotica, Golf Course Road, Sector - 53, Gurgaon, Haryana – 122 002 *Occupation*: Business Leader *Term:* Period of three years from September 1, 2021 *Period of directorship:* Since September 1, 2021 *DIN:* 09295623	43	*Indian Entities* Nil *Foreign Entities* Nil

Brief profiles of the Directors

R. Subramaniakumar is the Chairman and an Independent Director on the Board of our Company. He holds a bachelor's degree in science from University of Madras and an advanced banking certificate from Robert H. Smith School of Business and Centre for Advanced Financial Research and Learning, University of Maryland. He is also a certified associate member of the Indian Institute of Bankers. He holds the designations of certified information systems auditor and certified information security manager issued by the Information Systems Audit and Control Association (ISACA), USA. He was previously associated with Indian Overseas Bank as the managing director and chief executing officer, and with Indian Bank as an executive director and as a general manager in Punjab National Bank. He was also appointed as the administrator by the Reserve Bank of India for overseeing the insolvency resolution proceedings of Dewan Housing Finance Corporation Limited.

K Srinivas is the Managing Director and Chief Executive Officer of our Company. He holds a bachelor's degree in mechanical engineering from University of Madras, and a post-graduate diploma in management from Indian Institute of Management, Bengaluru. He has been a part of our Company since 2013 and has over 34 years of experience in management. He was previously associated with Bharti Airtel Limited, Hindustan Lever Limited and Britannia Industries Limited. He joined our Company in 2013 as an additional director.

David Scott Glen is a Director of our Company. He is also the Promoter of our Company, and has been a member of our Board since its incorporation and is also the group managing director of The Banktech Group, our corporate Promoter. He has over 30 years of experience in the ATM industry.

Peter Alexander Blackett is a Non-Executive Nominee Director on the Board of our Company. He is currently the General Manager, Strategic Development and Asia at The Banktech Group Pty Limited. He holds a certificate in marketing management from Kuring-gai College of Advanced Education, New South Wales, an advanced certificate in direct marketing and response advertising from the Pacific College, New South Wales and a certificate in strategic leadership from the Australian Graduate School of Management. He was previously associated with Cardtronics Inc., First Data International, NCR Australia Pty. Limited and State Bank of New South Wales Ltd.

Nikhil Mohta is a Non-Executive Nominee Director on the Board of our Company. He holds a bachelor's degree in commerce from Shri Ram College of Commerce, University of Delhi and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad. He is currently the Director of Private Equity at ICICI Ventures Management Company Limited. He was previously associated with McKinsey & Company and Carlyle India Advisors Private Limited.

Amrita Gangotra is an Independent Director on the Board of our Company. She holds a bachelor's degree in science (honours) and a master's degree in science from University of Delhi. During the course of her master's degree, she was awarded the Professor R.S. Varma Memorial gold medal for being the 'Best Candidate in M.A. and M.Sc. Examinations in Operational Research'. She was previously associated with Nestle India Limited, HCL Comnet Systems and Services, Bharti Airtel Limited in India and has worked with Vodafone, Hungary and Vodafone, UK. She is also the co-founder and designated partner of ITyukt Digital Solutions LLP.

Natrajan Ramkrishna is an Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from University of Bombay. He is also an associate member of the Institute of Chartered Accountants of India. He was previously associated as a partner with Price Waterhouse LLP, BSR & Co. LLP, KPMG Assurance and Consulting Services LLP, SR Batliboi & Associates LLP, SR Batliboi & Co. LLP and SRBC & Co LLP.

Ruchita Taneja Aggarwal is an Independent Director on the Board of our Company. She holds a bachelor's degree in arts (honours) from University of Delhi and a post graduate diploma in management from S.P. Jain Institute of Management and Research, Mumbai. During the course of her post graduate diploma, she was awarded a certificate of merit for being in the 'Dean's Top Twenty'. She also holds a certificate in International Cash Management from the Association of Corporate Treasurers. She is currently working with Google India Private Limited as the Head of New Business Sales. She was previously associated with Citibank NA India, Citicorp Investment Bank (Singapore) Limited, One97 Communications Limited and Clix Capital Services Private Limited.

Relationship between the Directors and the Key Managerial Personnel and senior management personnel

As on the date of this Draft Red Herring Prospectus, none of our Directors, Key Managerial Personnel and senior management personnel are related to each other.

Terms of appointment of the Directors

Remuneration paid to the Managing Director

K Srinivas was re-appointed as the Managing Director with effect from September 1, 2021 for a further period of three years, pursuant to the shareholder resolution dated September 4, 2021. Pursuant to Board resolution dated August 6, 2021 and September 4, 2021, and a shareholder resolution dated September 4, 2021, K Srinivas is entitled to the remuneration, perquisites and other benefits, the details of which are set forth below:

Particulars	Terms of remuneration (*in ₹ million*)
Gross salary and perquisites	31.09

He received gross remuneration of ₹ 29.77 million in Fiscal 2021 from our Company.

Further, he is entitled to receive stock options under the ESOP Plan and has as on date received options in our Company. For further details, please see "***Capital Structure – Employee Stock Option Schemes***" on page 89. Further, he is also entitled to incentives under the Employee Incentive Scheme – Mission 10 K as disclosed under "***-Bonus or profit sharing plan for the Key Managerial Personnel and senior management personnel***" on page 200.

Except senior management employment agreement dated April 9, 2014, as amended on February 19, 2021 entered into between our Company and K Srinivas, our Company has not entered into any contract appointing or fixing the remuneration of a Director in the two years preceding the date of this Draft Red Herring Prospectus.

Remuneration paid/payable to the Non-Executive Directors and the Independent Directors

Our Non-Executive Nominee Directors are not entitled to receive any remuneration or compensation (including sitting fees) from our Company and accordingly no remuneration has been paid to our Non-Executive Nominee Directors in Fiscal 2021.

Our Independent Directors may be entitled to receive sitting fees and such commission, as determined by our Board from time to time, for attending meeting of our Board and committees thereof. Further, pursuant to the respective appointment letters issued by our Company to our Independent Directors, they are each entitled to certain sitting fees for each of the Board or its committees' meeting attended by them. Since our Company did not have any Independent Director on the Board in Fiscal 2021, no remuneration was paid to Independent Directors in Fiscal 2021.

Arrangement or understanding with major shareholders, customers, suppliers or others

Nikhil Mohta was appointed on our Board as a nominee Director of India Advantage Fund S4 I (*acting through ICICI Venture Funds Management Company Limited, as its investment manager*) and Peter Alexander Blackett was appointed on our Board as a nominee Director of The Banktech Group, one of our corporate Promoter. Further, pursuant to the Shareholders' Agreement, K Srinivas was appointed as the Managing Director and Chief Executive Officer of our Company. For details please see "***History and Certain Corporate Matters –other Material Agreements***" on page 181.

Except as stated above, none of the Directors have been appointed pursuant to any arrangement or understanding with the major Shareholders, customers, suppliers or others.

Bonus or profit sharing plan for the Directors

Except for the Employee Incentive Scheme – Mission 10 K as disclosed under "***-Bonus or profit sharing plan for the Key Managerial Personnel and senior management personnel***" on page 200, our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of the Directors

As per the Articles of Association, the Directors are not required to hold any qualification shares. Except for our Non-Executive Director, David Scott Glen, who holds 2 Equity Shares as a nominee for The Banktech Group and our Non-Executive Nominee Director, Peter Alexander Blackett who holds 2 Equity Shares as a nominee for The Banktech Group, none of the Directors hold any Equity Shares as on the date of this Draft Red Herring Prospectus. Our Directors (excluding Independent Directors) may be deemed to be interested to the extent of options granted to them pursuant to ESOP Plan. For details, see "***Capital Structure - Employee stock options scheme***" beginning on page .

Service contracts with the Directors

There are no service contracts entered into by the Directors with the Company which provide for benefits upon termination of employment, other than statutory benefits.

For details of employee stock options held by our Directors under the ESOP Plan, see "***Capital Structure – Employee Stock Option Schemes***" on page 89.

Contingent and deferred compensation payable to the Directors

Except for variable pay and performance based bonus scheme of the Managing Director, there is no contingent or deferred compensation payable to the Directors. Please also refer to the Employee Incentive Scheme – Mission 10 K as disclosed under "***-Bonus or profit sharing plan for the Key Managerial Personnel and senior management personnel***" on page 200.

Interest of the Directors

All the Non-executive Directors may be deemed to be interested to the extent of commission, sitting fees and reimbursements, if any, payable to them for attending meetings of the Board or committees thereof and the executive Director may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to him by our Company. For further details, see "***-Terms of appointment of the Directors***" on page 189.

Some of the Directors may be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as partners or promoters, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend, interest and other distributions payable in respect of such Equity Shares. Certain of our Directors may be deemed to be interested to the extent of options granted to them pursuant to ESOP Plan. For details, see "***Capital Structure - Employee stock options scheme***" beginning on page 89. Our nominee Directors may be deemed to be interested to the extent of the shareholding in our Company of the entities nominating them. Further, K Srinivas is also entitled to incentives under the Employee Incentive Scheme – Mission 10 K as disclosed under "***-Bonus or profit sharing plan for the Key Managerial Personnel and senior management personnel***" on page 200.

No sum has been paid or agreed to be paid to the Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company. However, our nominee Directors may be entitled to receive remuneration and other benefits in the ordinary course of business from affiliates of the entities nominating them.

Except as stated otherwise in *"**Financial Statements**"* on page 209, none of the Directors is related to the beneficiaries of loans, advances and sundry debtors of our Company.

There are no outstanding loans availed of by the Directors from our Company.

None of the Directors have any interest in any property acquired or proposed to be acquired of our Company and by our Company.

Except as stated in the section titled "***Financial Statements – Annexure VI – Related Parties***" on page 251, our Directors do not have any other business interest in our Company.

Except for David Scott Glen, who is one of the Promoters of our Company, and Peter Alexander Blackett who is nominated on the Board of our Company by The Banktech Group (one of the corporate Promoters of our Company), none of the Directors have any interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus.

None of the Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

Other Confirmations

None of the Directors is, or for the five years prior to the date of this Draft Red Herring Prospectus, has been on the board of directors of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure.

None of the Directors has been or is a director on the board of directors of any listed company which has been /was delisted from any stock exchange, during his/her tenure.

Changes in the Board during the last three years

The changes in the Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Vishesh Tayal	October 5, 2018	Cessation as Nominee Director due to withdrawal of nomination for India Advantage Fund S3 I
Nikhil Mohta	February 5, 2019	Appointment as Nominee Director pursuant to nomination for India Advantage Fund S3 I
Nikhil Mohta	August 20, 2019	Cessation as Nominee Director due to withdrawal of nomination for India Advantage Fund S3 I
Nikhil Mohta	August 20, 2019	Appointment as Nominee Director pursuant to nomination for India Advantage Fund S4 I
K Srinivas	September 24, 2019	Re-appointment as Managing Director
Nikhil Mohta	July 6, 2020	Cessation as Nominee Director due to withdrawal of nomination for India Advantage Fund S4 I
Prashant Purker	July 6, 2020	Cessation as Nominee Director due to withdrawal of nomination for India Advantage Fund S3 I
Nikhil Mohta	July 6, 2020	Appointment as Nominee Director pursuant to nomination for India Advantage Fund S3 I
Prashant Purker	July 6, 2020	Appointment as Nominee Director pursuant to nomination for India Advantage Fund S4 I
Nikhil Mohta	February 9, 2021	Cessation as Nominee Director due to withdrawal of nomination for India Advantage Fund S3 I
Prashant Purker	February 9, 2021	Cessation as Nominee Director due to withdrawal of nomination for India Advantage Fund S4 I
Nikhil Mohta	February 9, 2021	Appointment as Nominee Director pursuant to nomination for India Advantage Fund S4 I
Gagandeep Singh Chhina	February 9, 2021	Appointment as Nominee Director pursuant to nomination for India Advantage Fund S3 I
Gagandeep Singh Chhina	September 1, 2021	Cessation as Nominee Director due to withdrawal of nomination for India Advantage Fund S3 I

Name of Director	Date of Change	Reasons
Laxmi Narayan Krishnan	September 1, 2021	Cessation as Nominee Director due to withdrawal of nomination for The Banktech Group
Amrita Gangotra	September 1, 2021	Appointment as Independent Director
Natrajan Ramkrishna	September 1, 2021	Appointment as Independent Director
Ruchita Taneja Aggarwal	September 1, 2021	Appointment as Independent Director
R. Subramaniakumar	September 1, 2021	Appointment as Independent Director and Chairman
David Scott Glen	September 1, 2021	Resignation as Chairman
K Srinivas	September 1, 2021	Re-appointment as Managing Director

Borrowing powers

Pursuant to the Articles of Association and applicable provisions of the Companies Act, 2013 and pursuant to the resolution dated September 3, 2021 passed by the Board and the special resolution dated September 4, 2021 passed by the Shareholders, our Board is entitled to borrow money, where the money to be borrowed together with the money already borrowed, shall not, at any time exceed ₹35,000 million.

Corporate governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares with the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and other applicable regulations of SEBI, in respect of corporate governance including in respect of the constitution of the Board and its committees thereof, and formulation and adoption of policies.

As on the date of this Draft Red Herring Prospectus, we have eight Directors on the Board, comprising one executive Director (i.e. the Managing Director) and seven Non-executive Directors including four independent Directors. Further, we have two women Independent Directors on the Board. In compliance with Section 152 of Companies Act, 2013, not less than two-thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Committees of the Board

Our Company has constituted the following mandatory committees of the Board as required under the SEBI Listing Regulations and the Companies Act, 2013:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Corporate Social Responsibility Committee;

(d) Stakeholders Relationship Committee;

(e) Risk Management Committee.

Audit Committee

The Audit Committee was constituted by the meeting of the Board held on September 12, 2013 and last re-constituted by the meeting of the Board held on September 1, 2021. The Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The members of the Audit Committee are:

(a) Natrajan Ramkrishna, Independent Director *(Chairperson);*

(b) Peter Alexander Blackett, Non-executive Director *(Member);* and

(c) Amrita Gangotra, Independent Director *(Member).*

The Company Secretary shall act as the secretary to the Audit Committee.

Scope and terms of reference: The terms of reference of the Audit Committee includes the following:

The Audit Committee shall have powers, including the following:

(a) to investigate any activity within its terms of reference;

(b) to seek information from any employee;

(c) to obtain outside legal or other professional advice; and

(d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of our Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:

    a. Matters required to be included in the director's responsibility statement to be included in our Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

    b. Changes, if any, in accounting policies and practices and reasons for the same;

    c. Major accounting entries involving estimates based on the exercise of judgment by management;

    d. Significant adjustments made in the financial statements arising out of audit findings;

    e. Compliance with listing and other legal requirements relating to financial statements;

    f. Disclosure of any related party transactions; and

    g. Modified opinion(s) in the draft audit report.

(5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to our Board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors of our Company to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval of any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company, subject to the conditions as may be prescribed (*provided only Independent directors that are members of the Audit Committee shall approve related party transactions*);

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of our Company, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) discussion with internal auditors of any significant findings and follow up there on;

(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board;

(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) reviewing the functioning of the whistle blower mechanism;

(19) monitoring the end use of funds raised through public offers and related matters;

(20) overseeing the vigil mechanism established by our Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(22) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on our Company and its shareholders; and

(23) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

(1) Management discussion and analysis of financial condition and results of operations;

(2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(3) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) Internal audit reports relating to internal control weaknesses;

(5) The appointment, removal and terms of remuneration of the chief internal auditor; and

(6) Statement of deviations in terms of the SEBI Listing Regulations:

    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;

    b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by the meeting of the Board held on August 12, 2014 and last re-constituted by the meeting of the Board held on September 1, 2021. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently consists of:

(a) Amrita Gangotra, Independent Director *(Chairperson);*

(b) Natrajan Ramkrishna, Independent Director *(Member);* and

(c) Nikhil Mohta, Non-executive Director *(Member)*

The Company Secretary shall act as the secretary to the Nomination and Remuneration Committee.

Scope and terms of reference: The terms of reference of the Nomination and Remuneration Committee includes the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "**Board**" or "**Board of Directors**") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**");

(2) For every appointment of an independent director, evaluation of the balance of skills, knowledge and experience on the board of directors and on the basis of such evaluation, preparation of a description of the role and capabilities required of an independent director. The person recommended to the board of directors for appointment as an independent director will have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

    a. use the services of an external agencies, if required;

    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

    c. consider the time commitments of the candidates.

(3) Formulation of criteria for evaluation of independent directors and the Board;

(4) Devising a policy on Board diversity;

(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance

(6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(7) Recommend to the board, all remuneration, in whatever form, payable to senior management;

(8) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;

(9) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

    - the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

    - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:

  a. administering any ESOP Plans;

  b. determining the eligibility of employees to participate under such plans;

  c. granting options to eligible employees and determining the date of grant;

  d. determining the number of options to be granted to an employee;

  e. determining the exercise price under such plans; and

  f. construing and interpreting such plans and any agreements defining the rights and obligations of the Company and eligible employees under such plans, and prescribing, amending and/or rescinding rules and regulations relating to the administration of such plans.

- frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

  a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

  b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

- perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by the meeting of the Board held on September 1, 2021. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee currently consists of:

(a) K Srinivas, Managing Director and Chief Executive Officer *(Chairperson);*

(b) Peter Alexander Blackett, Non-executive Director *(Member);*

(c) Amrita Gangotra, Independent Director *(Member);* and

(d) Ruchita Taneja Aggarwal, Independent Director *(Member)*

The Company Secretary shall act as the secretary to the Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is authorised to perform the following functions:

(a) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of Companies Act, 2013;

(b) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(c) monitor the corporate social responsibility policy of the Company and its implementation from time to time; and

(d) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted by the meeting of the Board held on September 1, 2021. The Stakeholders Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee currently consists of:

(a) David Scott Glen, Non-executive Director *(Chairperson);*

(b) Nikhil Mohta, Non-executive Director *(Member);*

(c) K Srinivas, Managing Director and Chief Executive Officer *(Member);*

(d) Ruchita Taneja Aggarwal, Independent Director *(Member);* and

(e) R. Subramaniakumar, Independent Director *(Member).*

Scope and terms of reference: The Stakeholders Relationship Committee shall be responsible for, among other things, the following:

(a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

(b) Review of measures taken for effective exercise of voting rights by shareholders;

(c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and

(d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Risk Management Committee

The Risk Management Committee was constituted by the meeting of the Board held on September 1, 2021. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently consists of:

(a) Peter Alexander Blackett, Non-executive Director *(Chairperson);*

(b) K Srinivas, Managing Director and Chief Executive Officer *(Member);*

(c) R. Subramaniakumar, Independent Director *(Member);*

(d) Natrajan Ramkrishna, Independent Director *(Member);*

(e) Sanjay Bajaj, Chief Financial Officer *(Member);* and

(f) Rajeev Desai, Chief Operating Officer *(Member).*

Scope and terms of reference: The Risk Management Committee shall be responsible for, among other things, the following:

(1) To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental social and governance related risks), information, cyber security risks or any other risk as may be determined by the Committee;

- Measures for risk mitigation including systems and processes for internal control of identified risks; and

- Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(a) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

Management Organisation Structure

Key Managerial Personnel

In addition to K Srinivas*, the Managing Director and Chief Executive Officer, the details of the other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below. For details of K Srinivas, the Managing Director and Chief Executive Officer, see - "***Brief Profiles of the Directors***" on page 188.

Sanjay Bajaj was appointed as the Chief Financial Officer of our Company on August 2, 2021. He holds a bachelor's degree in commerce from the University of Calcutta. He is a fellow member of the Institute of Chartered Accountants of India, and is a associate member of the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. He also has a post-graduate diploma in management from Brilliant's School of Management, Chennai. Over the years, he has held multiple leadership positions at our Company, including, Chief Commercial Officer and Company Secretary and Compliance Officer. He has been a part of our Company since April 8, 2014 and has over 24 years of experience in finance and compliance. He was previously associated with Bharti Airtel Limited, Jersey Airtel Limited and Eveready Industries India Limited (McLeod Russell). During Fiscal 2021, he was paid a gross remuneration of ₹ 11.59 million.

Mohit Nagar was appointed as the Company Secretary and Compliance Officer of our Company on August 2, 2021. He holds a bachelor's degree in law from University of Rajasthan. He has 9 years of experience in management and legal compliance. He is also a member of the Institute of Company Secretaries of India. He was previously associated with ASA and Associates LLP and ASC Consultancy Private Limited. Since he was appointed in Fiscal 2022, he did not receive any remuneration in Fiscal 2021.

Senior management personnel

Rajeev Desai* was appointed as the Chief Operating Officer of our Company with effect from December 4, 2013. He holds a diploma in electronics and radio engineering from Board of Technical Examinations, Maharashtra. He has been a part of our Company since 2013 and has over 25 years of experience in management. He was previously associated with Prizm Payment Services Private Limited, Barclay's Bank PLC, United Kingdom, Euronet Services India Private Limited, HSBC Software Development India Private Limited, Citicorp Overseas Software Limited, Citibank and Indian Data Management Limited. During Fiscal 2021, he was paid a gross remuneration of ₹ 21.29 million.

R. Kumara Krishnan was appointed as the Chief Sales and Marketing Officer of our Company with effect from April 3, 2014. He holds a bachelor's degree in science (honours course) from University of Delhi and a masters' program in international business from Indian Institute of Foreign Trade. He has been a part of our Company since 2014 and has over 11 years of experience in marketing. He was previously associated with Toyota Kirloskar Motor, Tata Tea Limited and Bharti Airtel Limited. During Fiscal 2021, he was paid a gross remuneration of ₹ 12.36 million.

**Pursuant to resolution dated January 5, 2021 passed by our Board, the retirement age under the senior management employment agreements for K Srinivas and Rajeev Desai, have been extended from 58 years to 65 years.*

Status of the Key Managerial Personnel and senior management personnel

All the Key Managerial Personnel and senior management personnel are permanent employees of our Company.

Relationship among the Key Managerial Personnel and senior management personnel

None of the Key Managerial Personnel and senior management personnel are related to each other.

Bonus or profit sharing plan for the Key Managerial Personnel and senior management personnel

Employee Incentive Scheme – Mission 10 K

In order to reward and incentivize our employees, the Board has on August 26, 2021 approved an employee incentive scheme ("**Employee Incentive Scheme – Mission 10 K**"). Pursuant to the Employee Incentive Scheme – Mission 10 K, our Company shall disburse amounts (net of applicable withholding tax) to certain eligible employees who were on the payroll of the Company as on January 31, 2021, and identified as per a formula based on their seniority in our Company and the number of years served with us, linked to the milestone of our Company achieving ATM targets and revenue targets. The first tranche under the Employee Incentive Scheme – Mission 10

K became due in September 2021 and was paid on September 2, 2021, and the second tranche shall become due in December 2021 if the ATM and revenue targets as set out in the scheme are achieved.

In the past, our Company has also made certain incentive payments to eligible individuals under the erstwhile Performance and Retention Incentive Scheme ("**PRI Scheme**"), which has been cancelled pursuant to resolution of our Board dated August 26, 2021 and accordingly, there are no amounts payable under the erstwhile PRI Scheme as on the date of this DRHP to any of our Directors or employees including any of our Key Managerial Personnel or senior management personnel. Also see, "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 209 and 270.

Except as stated above, there is no profit sharing plan for the Key Managerial Personnel and senior management personnel offered by our Company.

Shareholding of the Key Managerial Personnel and senior management personnel

None of the Key Managerial Personnel and senior management personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Service Contracts with the Key Managerial Personnel and senior management personnel

The Key Managerial Personnel and senior management personnel are governed by the terms of their appointment letters and have not entered into any other service contract with our Company. No officer of our Company, including the Key Managerial Personnel and senior management personnel, is entitled to any benefit upon termination of employment or retirement, other than statutory benefits, and to the extent of their interest in the employee stock options that have been granted or may be granted to them from time to time under the ESOP Plan and other employee stock option schemes formulated by our Company from time to time.

Interest of the Key Managerial Personnel and senior management personnel

Other than as disclosed in "– ***Interest of the Directors***" on page 190 and as disclosed under "***-Bonus or profit sharing plan for the Key Managerial Personnel and senior management personnel***" on page 200, the Key Managerial Personnel and senior management personnel do not have any interest in our Company other than to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them, if any. Our Key Managerial Personnel and senior management personnel may be interested to the extent of the employee stock options that have been granted or may be granted to them from time to time under the ESOP Plan and other employee stock option schemes formulated by our Company from time to time. For details of the ESOP Plan of our Company, see "***Capital Structure – Employee Stock Option Scheme***" on page 89.

There are no outstanding loans availed of by the Key Managerial Personnel and senior management personnel from our Company.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of the Key Managerial Personnel and senior management personnel have been selected pursuant to any arrangement or understanding with the major Shareholders, customers, suppliers or any other person.

Changes in the Key Managerial Personnel and senior management personnel during the last three years

The changes in our Key Managerial Personnel and senior management personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below, other than changes to our Managing Director and Chief Executive Officer, which is disclosed under – "***Changes in the Board during the last three years***" on page 191.

Name	Date	Reason
Sanjay Bajaj	August 2, 2021	Resignation as Company Secretary and Compliance Officer
Sanjay Bajaj	August 2, 2021	Appointment as Chief Financial Officer
Mohit Nagar	August 2, 2021	Appointment as Company Secretary and Compliance Officer

Employee stock option scheme

For details of the ESOP Plan of our Company, see "***Capital Structure – Employee Stock Option Scheme***" on page 89.

Payment or Benefit to Key Managerial Personnel and senior management personnel of our Company

No non-salary amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

PROMOTERS AND PROMOTER GROUP

David Scott Glen, The Banktech Group and BTI Payments Singapore are the promoters of our Company. As on the date of this Draft Red Herring Prospectus, The Banktech Group and BTI Payments Singapore currently hold an aggregate of 9,442,152 Equity Shares (*including 2 Equity Shares held by David Scott Glen and 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominees of The Banktech Group)*, representing 51.05 % of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details, see "***Capital Structure - History of the share capital held by our Promoters***" on page 82.

Further, as on the date of this Draft Red Herring Prospectus, BTI Payments Singapore holds 1,246,441 Promoter CCPS and 1,222,695 2019 CCPS, which in aggregate will be converted into 6,965,507 Equity Shares prior to filing of the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) of the SEBI ICDR Regulations. For further details, see "***Capital Structure - History of the share capital held by our Promoters***" on page 82.

David Scott Glen holds 75% of the share capital of The Banktech Group, which holds 100% of the share capital of BTI Payments Singapore. David Scott Glen does not directly hold any of the pre-Offer, issued, subscribed and paid-up Equity Share capital of our Company, other than the 2 Equity Shares held by him as nominee of The Banktech Group.

The details of our Promoters are provided below:

Details of our individual Promoter

David Scott Glen 	David Scott Glen, born on March 13, 1963, aged 58 years, is one of our Promoters and a non-Executive Director on the Board of our Company. *Residential address*: 299 Edgecliff Road, Woollahra New South Wales - 2025, Australia *Driving license number*: 5280 YR *Permanent account number:* DPNPG5900J David Scott Glen is a citizen of Australia and hence does not hold an Aadhaar card. For the complete profile of David Scott Glen along with details of his educational qualification, experience in the business, positions/posts held in past, directorship, his business and financial activities, see "***Our Management – Brief profiles of the Directors***" on page 188.

Our Company confirms that the permanent account number, bank account number and passport number of David Scott Glen shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus. Other than as disclosed under "***– Promoter Group***" below, David Scott Glen has no interest in any other venture.

Details of our corporate Promoters

The Banktech Group

<u>*Corporate Information*</u>

The Banktech Group was incorporated as a company limited by shares on January 24, 1991 under Corporations Law of New South Wales under the name of Wattale Holdings Pty. Ltd, having an Australian Company Number - 050 661 759. Subsequently, the name of the company was changed to The Banktech Group Pty Ltd. on February 13, 1991. Its registered office is situated at Level 5, 140 Williams Street, East Sydney, New South Wales 2011, Australia. It is involved in the business of providing device, gaming system and payment solutions primarily to the hospitality sector in Australia. There has been no change in the nature of business of The Banktech Group since its incorporation.

As on the date of this Draft Red Herring Prospectus, The Banktech Group holds 6,925,192 Equity Shares representing 37.44% of the pre-Offer Equity Share capital of our Company (*including 2 Equity Shares held by David Scott Glen and 2 Equity Shares held by Peter Alexander Blackett on behalf of and as nominees of The Banktech Group*). For details, see "***Capital Structure - History of the share capital held by our Promoters***" on page 82.

Our Company confirms that the permanent account number, bank account number, the Australian Company Number and the address of the Australian Securities Commission, with whom The Banktech Group is registered, have been submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Shareholding pattern

The shareholding pattern of The Banktech Group is as follows:

Sr. No.	Name of Shareholder	Percentage of Shareholding (%)
1.	David Scott Glen	75%
2.	Louise Anne Glen	25%

Board of directors

As on the date of this Draft Red Herring Prospectus, the board of directors of The Banktech Group comprises:

1. David Scott Glen; and

2. Nigel Sean Tooth

Details of change in control

There has been no change in the control of The Banktech Group in the last three years preceding the date of this Draft Red Herring Prospectus.

BTI Payments Singapore

Corporate Information

BTI Payments Singapore was incorporated as a company limited by shares on February 14, 2013 under Singapore laws having a registration number – 201304112H. Its registered office is situated at 101A Upper Cross Street #11-22 People's Park Centre, Singapore 058358. It is involved in the business of providing ATM and payment device deployment as well as payment and electronic transaction processing. There has been no change in the nature of business of BTI Payments Singapore since its incorporation.

As on the date of this Draft Red Herring Prospectus, BTI Payments Singapore holds 2,516,960 Equity Shares representing 13.61 % of the pre-Offer Equity Share capital of our Company. Further, BTI Payments Singapore holds 1,246,441 Promoter CCPS and 1,222,695 2019 CCPS, which will be converted into 6,965,507 Equity Shares prior to filing of the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

Our Company confirms that the permanent account number, bank account number, the company registration number and the address of the Accounting and Corporate Regulatory Authority, with whom BTI Payments Singapore is registered, have been submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Shareholding pattern

BTI Payments Singapore is the wholly-owned subsidiary of The Banktech Group.

Board of directors

As on the date of this Draft Red Herring Prospectus, the board of directors of BTI Payments Singapore comprises:

1. David Scott Glen;

2. Nigel Sean Tooth; and

3. Lo Kar Ling

<u>*Details of change in control*</u>

There has been no change in the control of BTI Payments Singapore in the last three years preceding the date of this Draft Red Herring Prospectus.

Details regarding change in control of our Company

While there has been no change in control of our Company in the last five years, David Scott Glen has been identified as one of the Promoters of our Company pursuant to the resolution dated September 1, 2021 approved by our Board. Further, BTI Payments Singapore is not the original promoter of our Company and invested in our Company in 2015. For details see "***Capital Structure – History of the Share capital held by our Promoters***" on page 82, respectively.

Interests of the Promoters

Our Promoters are interested in our Company to the extent they have promoted our Company and to the extent of their shareholding in our Company, directly and indirectly, the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them in our Company, from time to time. Further, our Promoters are also interested in our Company to the extent of nominating directors on the Board of our Company. For details see "***History and Certain Corporate Matters***" on page 177 and for details of the shareholding of our Promoters in our Company, see "***Capital Structure – History of the share capital held by our Promoters***", on page 82.

Our Promoters have no interest in any property acquired by our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. David Scott Glen is also a Non-Executive Director on our Board and may be deemed to be interested to the extent of reimbursement of expenses payable to him by our Company for attending meetings of our Board or a Committee thereof.

No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Payment or benefits to the Promoters or the members of the Promoter Group

Except as disclosed in "***Financial Statements***" on page 209, our Company has not entered into any contract, agreements or arrangements in the preceding two years in which our Promoters and members of the Promoter Group are directly or indirectly interested, nor does our Company propose to enter into any such contract, arrangement or agreements in which our Promoters and members of the Promoter Group are directly or indirectly interested and no payments or benefits are intended to be made to the Promoters and the members of the Promoter Group or have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Material guarantees given by the Promoters to third parties with respect to Equity Shares

Our Promoters have not provided any material guarantees to third parties with respect to the Equity Shares.

Companies or firms with which the Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Promoter Group

Details of the Promoter Group of our Company (excluding our Promoters) are provided below:

A. ***Natural persons who are part of the Promoter Group***

The natural persons who are part of the Promoter Group (due to their relationship with our individual Promoter), are as follows:

S. No.	Name of Promoter	Names of individuals	Relationship
1.	David Scott Glen	Colleen Glen	Mother
		Louise Anne Glen	Spouse
		Robert Glen	Brother
		Elizabeth Jane Osborne	Sister
		Katherine Mary Martin	Sister
		George Lochinvar Glen	Son
		Max Lochinvar Glen	Son
		Alice Patricia Glen	Daughter
		Charlotte Isabella Glen	Daughter
		Isobel Mary Glen	Daughter
		Michael Daniel Kilkeary	Spouse's Father
		Patricia Anne Kilkeary	Spouse's Mother
		Darren John Kilkeary	Spouse's Brother
		Michael Daniel Kilkeary	Spouse's Brother
		Matthew George Kilkeary	Spouse's Brother
		Emma Jayne Turner	Spouse's Sister

B. ***Entities forming part of the Promoter Group***

The entities forming part of our Promoter Group are as follows:

1. 3P Card Services Pty Ltd.;
2. Authentic ATM Pty Ltd.;
3. Banktech Australia Pty Ltd.;
4. Banktech Managed Services Pty Ltd.;
5. Blind Creek Solar Farm Pty Ltd;
6. BT Payments International (Cambodia) Co., Ltd.;
7. BTI Payments (HK) Limited;
8. BTI Payments (Philippines) Inc.;
9. EFTEX Pty Ltd.;
10. Eltham Investments Pty Ltd;
11. Espaliered Futures Pty Ltd;
12. Genus Family Company Pty Ltd;
13. Genus Investments Pty Ltd;
14. Global Gaming Industries Pty Ltd.;
15. Killersuper5 Pty Ltd;
16. Lakelands Pty Ltd;
17. Meridian Group Holdings Pty Ltd;
18. Pharos Software Pty Ltd;
19. S4 Superannuation Pty Ltd; and
20. Utopia Gaming Systems Pty Ltd.

GROUP COMPANIES

Pursuant to a resolution dated September 1, 2021, our Board has noted that in accordance with the SEBI ICDR Regulations and for the purpose of disclosure in this Draft Red Herring Prospectus, Group Companies of our Company shall include (i) the companies (excluding our corporate Promoters) with which there were related party transactions as disclosed in the Restated Financial Statements for the financial years ended March 31 2021, March 31, 2020 and March 31, 2019; or (ii) such other company as deemed material by our Board in accordance with the Materiality Policy.

Accordingly, based on the parameters outlined above, our Company does not have any Group Company.

DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividends, if any, will be recommended by our Board and approved by our shareholders at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act together with the applicable rules issued thereunder. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial condition of our Company. Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared or paid any dividend on our Equity Shares or CCPS during the last three Fiscals and since March 31, 2021 until the date of this Draft Red Herring Prospectus.

SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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Restated Financial Information

India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

31 March 2021, 31 March 2020 and 31 March 2019

Contents

Independent Auditor's Examination Report on Restated Financial Information

Walker Chandiok & Co LLP
5th Floor, No.65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, C V Raman Nagar,
Bengaluru 560093

T +91 80 4243 0700
F +91 80 4126 1228

To
The Board of Directors
India1 Payments Limited
Corporate Tower B 8th floor,
Diamond District, # 150,
Old Airport Road, Domlur,
Bangalore – 560008

Dear Sirs/Madam,

1. We have examined the attached Restated Financial Information of India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited) (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at 31 March 2021, 2020 and 2019, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the years ended 31 March 2021, 2020 and 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 03 September 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
   c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, the National Stock Exchange of India Limited and BSE Limited (collectively, the "Stock Exchanges") and Registrar of Companies, Karnataka in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2.1 (a) of Annexure VI to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

   a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 21 August 2021 in connection with the proposed IPO of equity shares of the Company;

   b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from:

   a. Audited Special Purpose Ind AS Financial Statements of the Company as at and for the year ended 31 March 2021, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 03 September 2021 and on which we have issued an unmodified opinion dated 03 September 2021. The information for the year ended 31 March 2021 included in such financial statements have been prepared by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended 31 March 2021, prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of directors at their meeting held on 18 June 2021 and on which we issued an unmodified report dated 18 June 2021; and

   b. The Restated Financial Information also contains the Proforma Ind AS Financial Information as at and for the year ended 31 March 2020 and 2019 which have been approved by the Board of directors at their meeting held on 03 September 2021. The Proforma Ind AS Financial Information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2020 and 2019 which have been approved by the Board of Directors at their meeting held on 09 July 2020 and 06 August 2019 respectively as described in Note 47 of Annexure VI to the Restated Financial Information and on which we issued an unmodified reports dated 09 July 2020 and 06 August 2019 respectively.

5. For the purpose of our examination, we have relied on:

   a) Auditors' report issued by us dated 03 September 2021 on the Special Purpose Ind AS Financial Statements of the Company as at and for the year ended 31 March 2021 as referred in Paragraph 4(a) above; and

   b) Our Assurance Report on compilation of Proforma Ind AS Financial Information issued by us dated 03 September 2021 on the Proforma Ind AS Financial Information of the Company as at and for the years ended 31 March 2020 and 31 March 2019 as referred in Paragraph 4(b) above.

6. Based on our examination and according to the information and explanations given to us we report that the Restated Financial Information:

   a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2021;

b. have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP financial statements as at and for the years ended 31 March 2020 and 2019 as described in Note 47 of Annexure VI to the Restated Financial Information; and

c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited Indian GAAP financial statements mentioned in paragraph 4 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, the Stock Exchanges and Registrar of Companies, Karnataka in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Vijay Vikram Singh
Partner
Membership Number: 059139
UDIN No: 21059139AAAAEN2664

Bengaluru
03 September 2021

Annexure I

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Restated Statement of Assets and Liabilities

(All amounts in ₹ millions, unless otherwise mentioned)

	Annexure VI	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
		Ind AS	Proforma Ind AS	Proforma Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	1	2,400.38	1,701.35	1,246.13
Right-of-use assets	2	1,331.83	1,012.51	819.20
Capital work-in-progress	3	-	-	1.42
Other intangible assets	4	10.93	9.01	10.31
Financial assets				
Loans	5	80.88	137.96	140.90
Other financial assets	6	165.37	78.59	0.39
Deferred tax assets (net)	7	154.31	142.20	114.30
Non-current tax assets	8	7.50	13.46	23.25
Other non-current assets	9	0.20	0.27	0.86
Total non-current assets		**4,151.40**	**3,095.35**	**2,356.76**
Current assets				
Inventories	10	2.65	-	-
Financial assets				
Investments	11	-	-	30.52
Trade receivables	12	12.44	13.74	28.18
Cash and cash equivalents	13	8,594.51	4,816.93	3,069.06
Bank balances other than cash and cash equivalents	14	638.77	376.09	397.10
Loans	5	89.30	12.86	9.48
Other financial assets	6	863.87	253.56	1,261.41
Other current assets	9	137.51	116.79	77.28
Total current assets		**10,339.05**	**5,589.97**	**4,873.03**
Total assets		**14,490.45**	**8,685.32**	**7,229.79**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	92.49	92.49	92.49
Instruments entirely equity in nature	16	49.38	38.39	12.46
Other equity	17	1,821.29	1,354.62	390.68
Total equity		**1,963.16**	**1,485.50**	**495.63**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	18	598.12	368.17	579.15
Other financial liabilities	19	1,509.55	965.23	659.78
Provisions	20	73.34	66.55	48.00
Other non-current liabilities	22	600.85	357.40	204.48
Total non-current liabilities		**2,781.86**	**1,757.35**	**1,491.41**
Current liabilities				
Financial liabilities				
Borrowings	18	8,444.84	4,212.31	4,133.88
Trade payables	21			
(A) total outstanding dues of micro enterprises and small enterprises		15.15	5.67	7.23
(B) total outstanding dues of creditors other than (A) above		338.27	311.10	333.99
Other financial liabilities	19	843.04	841.10	725.17
Other current liabilities	22	85.07	59.03	36.02
Provisions	20	19.06	13.26	6.46
Total current liabilities		**9,745.43**	**5,442.47**	**5,242.75**
Total equity and liabilities		**14,490.45**	**8,685.32**	**7,229.79**

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII.

As per report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N / N500013

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Vijay Vikram Singh
Partner
Membership No: 059139
Place : Bengaluru
Date : 03 September 2021

K Srinivas
Managing Director
DIN: 03533535
Place : Bengaluru
Date : 03 September 2021

David Scott Glen
Director
DIN: 02073436
Place : Sydney
Date : 03 September 2021

Sanjay Bajaj
Chief Financial Officer
Place : Bengaluru
Date : 03 September 2021

Mohit Nagar
Company Secretary
Membership No.: A27492
Place : Bengaluru
Date : 03 September 2021

Annexure II
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Restated Statement of Profit and Loss
(All amounts in ₹ millions, unless otherwise mentioned)

	Annexure VI	Year ended 31 March 2021 Ind AS	Year ended 31 March 2020 Proforma Ind AS	Year ended 31 March 2019 Proforma Ind AS
Revenue				
Revenue from operations	23	3,175.98	2,560.56	2,292.81
Other income	24	94.60	100.90	56.82
Total income		**3,270.58**	**2,661.46**	**2,349.63**
Expenses				
Operating expenses	25	1,143.01	913.66	919.47
Purchases of stock-in-trade	26	4.73	-	-
Changes in inventories of stock-in-trade	26	(2.65)	-	-
Employee benefits expense	27	318.33	301.66	250.01
Finance costs	28	587.96	482.08	525.64
Depreciation and amortisation expense	29	845.68	717.47	646.52
Other expenses	30	351.94	332.64	300.77
Total expenses		**3,249.00**	**2,747.51**	**2,642.41**
Profit / (Loss) before tax		**21.58**	**(86.05)**	**(292.78)**
Tax expenses	7			
Current tax		-	-	-
Deferred tax credit		(11.80)	(27.39)	(50.94)
Total tax credit		**(11.80)**	**(27.39)**	**(50.94)**
Net profit / (loss) for the year		**33.38**	**(58.66)**	**(241.84)**
Other comprehensive loss				
Items that will not be reclassified to profit or loss				
Re-measurement of losses on defined benefit plans		(1.22)	(1.96)	(2.49)
Deferred tax credit on above		0.31	0.51	0.65
Other comprehensive loss for the year		**(0.91)**	**(1.45)**	**(1.84)**
Total comprehensive income / (loss) for the year		**32.47**	**(60.11)**	**(243.68)**
Earnings / (Loss) per equity share	31			
Basic (₹)		1.80	(3.17)	(13.07)
Diluted (₹)		1.12	(3.17)	(13.07)

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII.

As per report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N / N500013

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Vijay Vikram Singh
Partner
Membership No: 059139
Place : Bengaluru
Date : 03 September 2021

K Srinivas
Managing Director
DIN: 03533535
Place : Bengaluru
Date : 03 September 2021

David Scott Glen
Director
DIN: 02073436
Place : Sydney
Date : 03 September 2021

Sanjay Bajaj
Chief Financial Officer
Place : Bengaluru
Date : 03 September 2021

Mohit Nagar
Company Secretary
Membership No.: A27492
Place : Bengaluru
Date : 03 September 2021

Annexure III

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Restated Statement of Changes in Equity

(All amounts in ₹ millions, unless otherwise mentioned)

A. Equity share capital

Particulars	Amount
Balance as at 01 April 2018 (Proforma Ind AS)	**92.49**
Changes in equity share capital during the year	-
Balance as at 31 March 2019 (Proforma Ind AS)	**92.49**
Changes in equity share capital during the year	-
Balance as at 31 March 2020 (Proforma Ind AS)	**92.49**
Changes in equity share capital during the year	-
Balance as at 31 March 2021 (Ind AS)	**92.49**

B. Instruments entirely equity in nature

Particulars	Amount
Balance as at 01 April 2018 (Proforma Ind AS)	**12.46**
Changes in compulsorily convertible preference shares	-
Balance as at 31 March 2019 (Proforma Ind AS)	**12.46**
Changes in compulsorily convertible preference shares	25.93
Balance as at 31 March 2020 (Proforma Ind AS)	**38.39**
Changes in compulsorily convertible preference shares	10.99
Balance as at 31 March 2021 (Ind AS)	**49.38**

C. Other equity

	Reserves and surplus				Money received against share	Total other equity
Particulars	**Securities premium**	**Retained earnings**	**OCI**	**Total**		
Balance as at 01 April 2018 (Proforma Ind AS)	**2,936.48**	**(2,302.14)**	**-**	**634.34**	**-**	**634.34**
Loss for the year	-	(241.84)	-	**(241.84)**	-	**(241.84)**
Remeasurement loss on defined benefit plans	-	-	(1.84)	**(1.84)**	-	**(1.84)**
Transaction with owners of the Company						
Issued during the year	-	-	-	**-**	0.02	**0.02**
Balance as at 31 March 2019 (Proforma Ind AS)	**2,936.48**	**(2,543.98)**	**(1.84)**	**390.66**	**0.02**	**390.68**
Loss for the year	-	(58.66)	-	**(58.66)**	-	**(58.66)**
Remeasurement loss on defined benefit plans	-	-	(1.45)	**(1.45)**	-	**(1.45)**
Transaction with owners of the Company						
Issued during the year	1,024.07	-	-	**1,024.07**	(0.02)	**1,024.05**
Balance as at 31 March 2020 (Proforma Ind AS)	**3,960.55**	**(2,602.64)**	**(3.29)**	**1,354.62**	**-**	**1,354.62**
Profit for the year	-	33.38	-	**33.38**	-	**33.38**
Remeasurement loss on defined benefit plans	-	-	(0.91)	**(0.91)**	-	**(0.91)**
Transaction with owners of the Company						
Issued during the year	434.20	-	-	**434.20**	-	**434.20**
Balance as at 31 March 2021 (Ind AS)	**4,394.75**	**(2,569.26)**	**(4.20)**	**1,821.29**	**-**	**1,821.29**

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII.

As per report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 03 September 2021

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Managing Director
DIN: 03533535

Place : Bengaluru
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Director
DIN: 02073436

Place : Sydney
Date : 03 September 2021

Sanjay Bajaj
Chief Financial Officer

Place : Bengaluru
Date : 03 September 2021

Mohit Nagar
Company Secretary
Membership No.: A27492

Place : Bengaluru
Date : 03 September 2021

Annexure IV
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Restated Statement of Cash Flows
(All amounts in ₹ millions, unless otherwise mentioned)

	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	Ind AS	**Proforma Ind AS**	**Proforma Ind AS**
A. Cash flow from operating activities			
Net Profit/(Loss) before tax	21.58	(86.05)	(292.78)
Adjustments for:			
Depreciation and amortisation	845.68	717.50	646.51
Interest income (including unwinding of discount on deposits - asset)	(44.56)	(43.90)	(36.18)
Interest expense on lease obligation	118.85	82.91	90.36
Finance cost on borrowings	434.53	377.39	425.25
Provisions and liabilities no longer required written back	(42.58)	(30.12)	(10.61)
Advances written off	0.35	0.09	0.38
Gain on modification of financial instrument (net)	-	(1.60)	(2.81)
Net gain on sale of current investment	-	(17.59)	(1.59)
Unwinding of discount on deposits - liability	34.58	21.78	10.02
Sale of property, plant and equipment	(4.11)	(3.58)	(5.54)
Property, plant and equipment written off	9.22	14.94	19.43
	1,351.96	**1,117.82**	**1,135.22**
Operating profit before working capital changes	**1,373.54**	**1,031.77**	**842.44**
Adjustments for working capital changes			
Decrease / (increase) in Inventories	(2.65)	-	-
Decrease in trade receivables	1.31	14.43	38.15
(Increase) in loans	(19.36)	(10.45)	(14.13)
Decrease / (increase) in other financial assets	(610.31)	1,007.86	(869.50)
Decrease / (increase) in other current assets	(21.07)	(39.60)	(27.53)
(Decrease) / Increase trade payables	36.65	(24.45)	1.43
Increase in other financial liabilities	213.16	181.25	298.84
Increase in other liabilities	269.49	175.93	12.75
Increase in provisions	11.37	23.39	10.18
	(121.41)	**1,328.36**	**(549.81)**
Cash generated from operations	**1,252.13**	**2,360.13**	**292.63**
Net income tax refund / (paid)	5.96	9.79	(6.81)
Net cash generated from operating activities (A)	**1,258.09**	**2,369.92**	**285.82**
B. Cash flow from investing activities			
Purchase of property, plant and equipment and other intangible asset	(1,111.72)	(731.34)	(296.61)
Proceeds from sale of current investments	-	1,084.81	-
Purchase of current investments	-	(1,036.71)	(30.00)
Proceeds on disposal of property, plant and equipment	26.72	10.61	11.62
Investments in bank deposits (having original maturity of more than three months), net	(349.46)	(57.19)	(54.37)
Interest received	29.45	30.09	23.78
Net cash used in investing activities (B)	**(1,405.01)**	**(699.73)**	**(345.58)**
C. Cash flow from financing activities			
Proceeds from Issue of Compulsorily Convertible Preference shares (including premium)	445.19	1,050.00	-
Proceeds from issue of share warrants	-	-	0.02
Repayment on cancellation of share warrants	-	(0.02)	-
Repayment of long-term borrowings	(542.71)	(254.17)	(725.00)
Proceeds from long term borrowings	750.00	-	769.87
Proceeds from short term borrowings	6,493.67	2,702.22	801.04
Repayment of short term borrowings	(2,700.00)	(800.00)	-
Interest and other bank charges paid	(453.08)	(375.26)	(429.71)
Payment of principal portion of lease liabilities	(388.58)	(338.39)	(282.87)
Interest paid on lease liabilities	(118.85)	(82.91)	(90.36)
Net cash generated from financing activities (C)	**3,485.64**	**1,901.47**	**42.99**
Net increase in cash and cash equivalents (A+B+C)	**3,338.72**	**3,571.66**	**(16.77)**
Cash and cash equivalents at the beginning of the year	3,307.88	(263.78)	(247.01)
Cash and cash equivalents at the end of the year	**6,646.60**	**3,307.88**	**(263.78)**
Components of cash and cash equivalents			
Cash and cash equivalents (refer Annexure VI, note 13)	8,594.51	4,816.93	3,069.06
Less: Bank Overdrafts (refer Annexure VI, note 18)	(1,947.91)	(1,509.05)	(3,332.84)
	6,646.60	**3,307.88**	**(263.78)**

Note:
Bank Overdrafts is shown under cash and cash equivalent as per requirement of IND AS 7, hence proceeds from borrowings under financing activity is excluding the movement in bank overdraft.

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII.

As per report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N / N500013

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Vijay Vikram Singh
Partner
Membership No: 059139
Place : Bengaluru
Date : 03 September 2021

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Managing Director
DIN: 03533535
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Place : Sydney
Date : 03 September 2021

Sanjay Bajaj
Chief Financial Officer
Place : Bengaluru
Date : 03 September 2021

Mohit Nagar
Company Secretary
Membership No.: A27492
Place : Bengaluru
Date : 03 September 2021

Annexure IV
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Restated Statement of Cash Flows
(All amounts in ₹ millions, unless otherwise mentioned)

Changes in financing liabilities arising from cash and non-cash changes for the period ended 31 March 2021 (Ind AS):

Liabilities	As at 1 April 2020	Cash flows	Non- cash adjustments				As at 31 March 2021
			Initial recognition of lease liability	Adjustment on account of interest accrued	Early termination of lease	EIR adjustments on long term borrowings	
Borrowings	4,725.68	4,439.81	-	(0.87)	-	(17.67)	9,146.95
Lease liability	1,029.09	(507.50)	757.09	118.85	(1.51)	-	1,396.02
	5,754.77	**3,932.31**	**757.09**	**117.98**	**(1.51)**	**(17.67)**	**10,542.97**

Changes in financing liabilities arising from cash and non-cash changes for the period ended 31 March 2020 (Proforma Ind AS):

Liabilities	As at 1 April 2019	Cash flows	Non- cash adjustments				As at 31 March 2020
			Initial recognition of lease liability	Adjustment on account of interest accrued	Early termination of lease	EIR adjustments on long term borrowings	
Borrowings	4,899.30	(178.15)	-	2.39	-	2.13	4,725.68
Lease liability	848.88	(421.30)	537.33	82.91	(18.73)	-	1,029.09
	5,748.18	**(599.45)**	**537.33**	**85.30**	**(18.73)**	**2.13**	**5,754.77**

Changes in financing liabilities arising from cash and non-cash changes for the period ended 31 March 2019 (Proforma Ind AS):

Liabilities	As at 1 April 2018	Cash flows	Non- cash adjustments				As at 31 March 2019
			Initial recognition of lease liability	Adjustment on account of interest accrued	Early termination of lease	EIR adjustments on long term borrowings	
Borrowings	4,870.58	32.32	-	2.01	-	(5.60)	4,899.30
Lease liability	767.82	(373.24)	384.90	90.37	(20.97)	-	848.88
	5,638.40	**(340.92)**	**384.90**	**92.37**	**(20.97)**	**(5.60)**	**5,748.18**

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII.

As per report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N / N500013

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 03 September 2021

K Srinivas
Managing Director
DIN: 03533535

Place : Bengaluru
Date : 03 September 2021

David Scott Glen
Director
DIN: 02073436

Place : Sydney
Date : 03 September 2021

Sanjay Bajaj
Chief Financial Officer

Place : Bengaluru
Date : 03 September 2021

Mohit Nagar
Company Secretary
Membership No.: A27492

Place : Bengaluru
Date : 03 September 2021

Annexure V

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Basis of Preparation and Significant Accounting Policies

(All amounts in ₹ millions, unless otherwise mentioned)

1 Corporate Information

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited, the Company) incorporated in India on Thirtieth day of June Two Thousand Six under the Companies Act, 1956 is a company owned by The Banktech Group PTY Ltd, Australia as Promoter and India Advantage Fund S3 I, India Advantage Fund S4 I and Dynamic India Fund S4 US I as Investor. The Company is a public limited company, incorporated and domiciled in India and has it's registered office situated at Corporate Tower B 8th floor, Diamond District, 150,Old Airport Road, Domlur, Bangalore – 560008.

The Company had changed its name from BTI Payments Private Limited to India1 Payments Private Limited pursuant to special resolution passed in extraordinary general meeting of the shareholders of the Company held on 27 July 2021 and approval from Registrar of Companies (ROC) dated 25 August 2021. Further, the Company has converted from Private Limited Company to Public Limited Company, pursuant to special resolution passed in extraordinary general meeting of the shareholders of the Company held on 27 August 2021 and consequently the name of the Company has changed to India1 Payments Limited pursuant to a fresh certificate of incorporation by the ROC on 02 September 2021.

The Company is a Reserve Bank of India (RBI) authorised leading White label ATM (Automated Teller Machine) Operator in India. The Company has obtained the renewal of authorization for setting and operating payment system for White Label ATMs and the license stands extended up to 31 March 2022. The Company is also providing technical services for banks in Point of Sale (POS) payment solution and Micro ATM services. The Company has earned comprehensive income of in the current year of ₹ 32.47 million; comprehensive loss for the year ended 31 March 2020 was ₹ 60.11 million and comprehensive loss for the year ended 31 March 2019 was ₹ 243.68 million. The management of the Company are confident of achieving its Annual Operational Plan (AOP) for FY 2022. No going concern risk is perceived.

2.1 Significant accounting policies

a. Basis of preparation

The Restated Financial Information comprise of the Restated Statement of Assets and Liabilities as at 31 March 2021, 31 March 2020 and 31 March 2019, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, and Significant accounting policies and other explanatory information to the Restated Financial Information (hereinafter collectively referred to as “Restated Financial Information”).

The Restated Financial Information has been specifically prepared by the management for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) and National Stock Exchange of India Limited and BSE Limited, where the Equity Shares are proposed to be listed (the “Stock Exchanges”) in connection with the proposed Initial Public Offer (‘IPO’) of equity shares of the Company (referred to as the “Issue”), in accordance with the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the “Act");

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India Act, 1992; and

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time (the “Guidance Note”).

The financial statements for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 have been prepared as per Accounting Standards notified under the Companies Accounting Standards Rules notified under Section 133 of the Act (“Indian GAAP”). The Company has elected to present all periods as per Ind AS instead of Indian GAAP.

Accordingly, the Restated Financial Information has been compiled by the Management from:

(i) The audited Special purpose Ind AS financial statements of the Company as at and for the year ended 31 March 2021, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on 03 September 2021. The information for the year ended 31 March 2021 included in such financial statements have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements of the Company as at and for the year ended 31 March 2021, prepared in accordance with the accounting standards notified under the section 133 of the Act (“Indian GAAP”) which was approved by the Board of directors at its meeting held on 18 June 2021.

(ii) The Proforma Ind AS financial statements of the Company as at and for the years ended 31 March 2020 and 31 March 2019, compiled in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on 03 September 2021. The Proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2020 and 2019 which have been approved by the Board of Directors at its meeting held on 09 July 2020 and 06 August 2019 respectively as described in Note 46 in Annexure VI to the Restated Financial Information.

These Proforma Ind AS financial statements are compiled in accordance with requirements of the Guidance note. For the purpose of the Proforma Ind AS financial Statements, the Company has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 01 April 2020. Accordingly, suitable restatement adjustments (both remeasurements and reclassifications) in the accounting heads are made to the Proforma Ind AS financial Statements following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. 1 April 2020).

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of Restated Financial Information under Accounting Standards notified under Previous GAAP to Ind AS of Restated Statement of Assets and Liabilities as 31 March 2021, 31 March 2020 and 31 March 2019 and of the Restated Statement of profit and loss (including other comprehensive income) for the years then ended 31 March 2021, 31 March 2020 and 31 March 2019. Refer Annexure VII for the reconciliation.

In addition, in accordance with the ICDR Regulations and the Guidance Note, certain adjustments have been incorporated for alignment of accounting policies, rectification of errors and regroupings across the different periods for the preparation of the Restated Financial Information for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 based on the accounting policies followed by the Company for preparation of its Special Purpose Financial Statements as at and for the year ended 31 March 2021.

The Restated Financial Information do not require any adjustment for modification as there is no modification in the underlying audit reports.

The Restated Financial Information were authorized by Board of Directors for issue on 03 September 2021

b. Functional and presentation currency

The financial statements are presented in Indian Rupee (‘ ₹ ’) which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest millions, unless otherwise indicated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

c. Use of estimates

The preparation of the financial statements is in conformity with generally accepted accounting principles which requires management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future year. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in note 2.2 below.

d. Standards issued but not yet effective

Since there were no standard issued but not effective as at the financial statements issue date, the disclosure is not applicable.

e. Current versus non-current classification

The Company presents assets and liabilities in the restated statement of asset and liabilities based on current/ non-current classification.

(i) An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

(ii) All other assets are classified as non-current.
(iii) A liability is classified as current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

(iv) All other liabilities are classified as non-current.
(v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of service and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

f. Revenue recognition

Revenue from contracts with customers :

The Company recognises revenue from contracts with customers based on a five step model as set out in IndAS 115:
Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.
Revenue is recognised in the statement of profit & loss to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

(i) Service revenues

Service revenues include amounts invoiced for a) Interchange fee for use of White Label ATM, b) Technical service fee for POS solution c) Managed service fee towards management of ATMs on behalf of banks, d) WLA fee towards Co-branding and e) Value Added Services(VAS). Service revenues are recognised as the services are rendered and are stated net of discounts, waivers and taxes.

(ii) Interest income

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

(iii) Unbilled revenue

Unbilled revenue disclosed under other financial assets represent revenue recognised in respect of services provided but bills not generated to the end of the reporting period. These are billed in subsequent periods as per the terms of the contractual arrangements.

(iv) Sale of traded goods

The Company also derives revenue from sale of traded goods.
As per Ind AS 115, revenue is recognised to depict the transfer of promised goods to a customer in an amount that reflects the fair value of the consideration received or receivable which the entity expects to be entitled in exchange for those goods.
Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange of those products.
The amount recognised as sale is exclusive of GST and net of trade discounts and sales returns.

g. Property, plant and equipment

Recognition and initial measurement
Properties plant and equipment are stated at their cost of acquisition. The date of transition to Ind AS for the Company is 01 April 2020. However, as described in basis of preparation, the Company has made adjustments in relation to adoption of Ind AS for the year ended 31 March 2020 and 31 March 2019 also and thus the Company had elected to measure all its property, plant and equipment at the previous GAAP carrying value (deemed cost) as at 01 April 2018. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in the Restated Statement of Profit and Loss, as incurred.
Where assets are installed on the premises of merchants, such assets continue to be treated as property, plant and equipment as the associated risks and rewards remain with the Company and management is confident of exercising control over them.

Subsequent measurement (Depreciation and useful lives)
Property, plant and equipment are subsequently measured at cost, net of accumulated depreciation and accumulated impairment losses, if any.
Depreciation on property, plant and equipment is provided on the straight line method based on useful lives of respective assets as estimated by the management or as prescribed under Schedule II of the Companies Act, 2013, whichever is higher. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review, and adjusted prospectively. Depreciation for assets purchased or sold during a period is proportionately charged to the Restated Statement of Profit and Loss.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	***Useful Life (Years)***
Automated Teller Machine *	10
POS terminals *	6
Plant and equipment *	5
Electrical equipment	10
Computer hardware	3 to 6
Furniture & fixtures	10
Office equipment	5

The leasehold improvements are depreciated over the period of lease or life of asset; i.e. 10 years, whichever is lower.

* For these classes of assets, based on internal assessment and technical evaluation carried out, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

De-recognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Restated Statement of Profit and Loss when the asset is derecognised.

h. Intangible assets

Recognition and initial measurement
Separately acquired intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortization)
The cost of intangible assets is amortized over the useful life of the asset determined as follow on a straight line basis:

Computer software	3 to 6
Copyrights	10

De-recognition
An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Restated Statement of Profit and Loss when the asset is derecognised.

i. Capital work-in-progress
Capital work-in-progress represents expenditure incurred in respect of property, plant and equipment not ready for use and are carried at cost. Cost includes related acquisition expenses, borrowing costs and other direct expenditure.

j. Inventories
Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing the inventories to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

k. Cash and cash equivalents
Cash and cash equivalents comprises of cash at bank, cash at ATMs, cash on hand and cheques on hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

l. Employee benefits

Defined contribution plan
Retirement benefit in the form of provident fund is a defined contribution scheme. The Company's contributions towards provident fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan
Gratuity
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan and define the amount of benefit that an employee will receive on completion of services by reference of length of service and last drawn salary. The liability is recognised in the restated statement of asset and liabilities for defined benefit plan, as the present value of the defined benefit obligation (DBO) at the reporting date is less than the fair value of the plan assets. Management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the restated statement of profit and loss.
Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.
Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the period in which such gain or loss arise. They are included in retained earnings in the statement of changes in equity and in the restated statement of asset and liabilities.

Compensated absences
The Company also provides benefit of compensated absences to its employees. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the restated statement of profit and loss in the period in which such gains or losses arise.
The Company presents the leave as a current liability in the restated statement of asset and liabilities, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Short-term employee benefits
Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee

m. Share based payment transactions

The company has developed the Performance and Retention Incentive Scheme (PRI Scheme) for select employees. Performance Retention Units (PRUs) are granted at a notional value (called the Start Value) determined by committee of the Company's board of directors from time to time. The PRUs that have been granted will then vest over time as long as the concerned employee remains employed with the Company. On a specific trigger event occurrence, the Company will pay the employee a bonus equal to the increase in value of the employee's vested PRUs. At the end of the each reporting period, until the liability is settled, and at the date of settlement, increase, if any, in the notional value as determined by the committee, pertaining to the vested period is recognised immediately in Statement of Profit or Loss. For such recognition, the future vesting unit's liability is also recognised on a straight line basis.

n. Leases

Company as a lessee

The Company's lease asset classes consist of leases for ATM machines, land leases and leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date.

The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Restated Statement of profit and loss.

The lease liability is initially and subsequently measured at the present value of the future lease payments that are not paid at the commencement date/reporting date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the Company. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense in the Restated Statement of Profit and Loss over the lease term.

o. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted. Transaction costs directly attributable to the acquisition of financial assets carried at fair value through profit and loss are recognised immediately in Restated Statement of Profit and Loss.

Subsequent measurement
Debt Instruments

(i) Debt instruments at amortized cost

A 'Debt instrument' is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

(ii) Debt Instruments at fair value through other comprehensive income (FVTOCI)

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognised in other comprehensive income (OCI).

(iii) Debt instruments at Fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the restated statement of profit and loss.

Equity investments

All equity investments in the scope of Ind AS 109,' Financial Instruments', are measured at fair value. The Company may make an irrevocable election to measure the equity investments at fair value through other comprehensive income (FVOCI). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the restated statement of profit and loss

Investment in mutual funds

Investment in mutual funds are measured at fair value through profit or loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

p. Financial liabilities

Initial recognition

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

These liabilities include borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the restated statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the restated statement of asset and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

q. Impairment

Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not carried at fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the restated statement of profit and loss.

Non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any Indication that those assets have suffered an impairment loss. If any such Indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an Individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where 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 to sell 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 ('CGU')) is reduced to its recoverable amount. An impairment loss is recognised immediately in the restated statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

r. Tax expense

Income taxes

Income tax expense comprises of current tax and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit as determined in accordance with the applicable tax rates and the provisions of the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company’s forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities.

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 a net basis or simultaneously.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

s. Earnings / (loss) per share (‘EPS')

The basic earnings per share is computed by dividing the net profit /loss attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

t. Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made at the reporting date.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the restated statement of profit and loss net of any reimbursement.

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

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

u. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in White Label ATM Operations (WLA), ATM managed services (MSP) and POS Technical services which represent different business segments as they are subject to risks and returns that are not similar to each other.

The Company operates only in India and there is no other geographical segment.

v. Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated. Bank Overdrafts is shown under cash and cash equivalent as per requirement of IND AS 7, hence proceeds from borrowings under financing activity is excluding the movement in bank overdraft.

w. Recent Pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division I which relate to companies whose financial statements are required to comply with Companies (Accounting Standards) Rules, 2006 are:

Balance Sheet:

• 'Property, plant and equipment' should be renamed as 'Property, plant and equipment and Intangible assets' and 'Tangible assets' should be renamed as 'Property, plant and equipment'.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, relationship with Struck off Companies, registration of charges or satisfaction with Registrar of Companies, certain ratios, utilisation of Borrowed funds and share premium, etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

2.2 Significant judgements and estimates in applying accounting policies

a. **Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

b. **Useful lives of depreciable/amortizable assets** – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.

c. **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

d. **Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

e. **Share based payments** - The Company initially measures the cost of cash-settled share-based payment transactions at fair value. The liability for such cash-settled share-based payment transactions needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss.
This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 42 in Annexure VI.

f. **Contingent liabilities** – At each balance sheet date basis the management estimate, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding guarantees and litigations. However, the actual future outcome may be different from this estimate.

g. **Recognition of deferred tax assets** – Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

h. **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

i. **Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information
(All amounts in ₹ millions, unless otherwise mentioned)

1 Property, plant and equipment

	Automated Teller Machine (ATM)	POS terminals*	Plant and Equipment	Electrical equipment	Computer hardware	Furniture and fixtures	Leasehold improvements	Office equipment	Total
Gross block (at deemed cost)									
Balance as at 01 April 2018 (Proforma Ind AS)	**667.65**	**39.08**	**257.20**	**0.14**	**3.21**	**0.14**	**328.03**	**0.43**	**1,295.88**
Additions	124.04	4.20	106.23	-	1.85	0.01	63.06	0.28	299.67
Disposals	(5.59)	(16.57)	(38.90)	-	(0.04)	-	(12.02)	(0.09)	(73.21)
									-
Balance as at 31 March 2019 (Proforma Ind AS)	**786.10**	**26.71**	**324.53**	**0.14**	**5.02**	**0.15**	**379.07**	**0.62**	**1,522.34**
Additions	464.24	-	197.39	-	5.55	0.06	173.13	0.32	840.69
Disposals	(5.77)	(6.66)	(32.70)	-	-	-	(17.78)	(0.69)	(63.60)
Balance as at 31 March 2020 (Proforma Ind AS)	**1,244.57**	**20.05**	**489.22**	**0.14**	**10.57**	**0.21**	**534.42**	**0.25**	**2,299.43**
Transfer	-	36.80	-	-	-	-	-	-	36.80
Additions	572.38	-	261.23	-	-	-	287.76	0.33	1,121.70
Disposals	(13.70)	(1.97)	(59.34)	-	-	-	(24.41)	(0.12)	(99.54)
Balance as at 31 March 2021 (Ind AS)	**1,803.25**	**54.88**	**691.11**	**0.14**	**10.57**	**0.21**	**797.77**	**0.46**	**3,358.39**
Accumulated depreciation									
Balance as at 01 April 2018 (Proforma Ind AS)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge	93.80	12.23	103.00	0.04	1.63	0.06	112.91	0.24	323.91
Reversal on disposal of assets	(1.63)	(13.90)	(24.70)	-	(0.03)	-	(7.38)	(0.06)	(47.70)
Balance as at 31 March 2019 (Proforma Ind AS)	**92.17**	**(1.67)**	**78.30**	**0.04**	**1.60**	**0.06**	**105.53**	**0.18**	**276.21**
Depreciation charge	114.39	10.05	109.90	0.02	1.82	0.05	126.94	0.33	363.50
Reversal on disposal of assets	(2.10)	(5.72)	(25.46)	-	-	-	(7.69)	(0.66)	(41.63)
Balance as at 31 March 2020 (Proforma Ind AS)	**204.46**	**2.66**	**162.74**	**0.06**	**3.42**	**0.11**	**224.78**	**(0.15)**	**598.08**
Transfer	-	15.56	-	-	-	-	-	-	15.56
Depreciation charge	171.43	12.04	117.51	0.02	2.71	0.03	113.69	0.39	417.82
Reversal on disposal of assets	(6.15)	(1.18)	(46.92)	-	-	-	(19.12)	(0.08)	(73.45)
Balance as at 31 March 2021 (Ind AS)	**369.74**	**29.08**	**233.33**	**0.08**	**6.13**	**0.14**	**319.35**	**0.16**	**958.01**
Net block									
Balance as at 31 March 2019 (Proforma Ind AS)	**693.93**	**28.38**	**246.23**	**0.10**	**3.42**	**0.09**	**273.54**	**0.44**	**1,246.13**
Balance as at 31 March 2020 (Proforma Ind AS)	**1,040.11**	**17.39**	**326.48**	**0.08**	**7.15**	**0.10**	**309.64**	**0.40**	**1,701.35**
Balance as at 31 March 2021 (Ind AS)	**1,433.51**	**25.80**	**457.78**	**0.06**	**4.44**	**0.07**	**478.42**	**0.30**	**2,400.38**

Note

* The lease agreement for POS terminals was terminated during the year ended 31 March 2021. Post which the assets were transferred to the Company at nominal value of ₹ 1. Thus the assets has been transferred from Right of Use (ROU) assets to Property, plant and equipments (PPE) with carrying value as on the date of transfer.

a. Contractual obligations

Details of contractual obligations are given in Annexure VI, note 43

b. Property, plant and equipment pledged as security

Details of property, plant and equipment pledged are given in Annexure VI, note 40

c. Deemed carrying cost

The date of transition to Ind AS for the Company is 01 April 2020. However, as described in basis of preparation, the Company has made adjustments in relation to adoption of Ind AS for the year ended 31 March 2020 and 31 March 2019 also and thus the Company had elected to measure all its property, plant and equipment at the previous GAAP carrying value (deemed cost) as at 01 April 2018.

2 Right of use asset

	Automated Teller Machine (ATM)	Building	POS terminals*	Total
Gross Block				
Balance as at 01 April 2018 (Proforma Ind AS)	**574.53**	**986.81**	**30.33**	**1,591.67**
Additions	-	115.49	7.10	122.59
Disposals/Renewal	-	(32.86)	(0.13)	(32.99)
Balance as at 31 March 2019 (Proforma Ind AS)	**574.53**	**1,069.44**	**37.30**	**1,681.27**
Additions	-	565.87	-	565.87
Disposals/Renewal	-	(226.22)	(0.50)	(226.72)
Balance as at 31 March 2020 (Proforma Ind AS)	**574.53**	**1,409.09**	**36.80**	**2,020.42**
Transfer	-	-	(36.80)	(36.80)
Additions	-	801.84	-	801.84
Disposals/Renewal	(0.56)	(415.16)	-	(415.72)
Balance as at 31 March 2021 (Ind AS)	**573.97**	**1,795.77**	**-**	**2,369.74**
Accumulated depreciation				
Balance as at 01 April 2018 (Proforma Ind AS)	**149.79**	**408.33**	**3.95**	**562.07**
Depreciation charge	115.18	199.10	5.43	319.71
Deletions	-	(19.68)	(0.03)	(19.71)
Balance as at 31 March 2019 (Proforma Ind AS)	**264.97**	**587.75**	**9.35**	**862.07**
Depreciation charge	115.49	228.81	6.41	350.71
Deletions	-	(204.67)	(0.20)	(204.87)
Balance as at 31 March 2020 (Proforma Ind AS)	**380.46**	**611.89**	**15.56**	**1,007.91**
Transfer			(15.56)	(15.56)
Depreciation charge	115.18	309.13	-	424.31
Deletions	(0.56)	(378.19)	-	(378.75)
Balance as at 31 March 2021 (Ind AS)	**495.08**	**542.83**	**-**	**1,037.91**
Net block				
Balance as at 31 March 2019 (Proforma Ind AS)	**309.56**	**481.69**	**27.95**	**819.20**
Balance as at 31 March 2020 (Proforma Ind AS)	**194.07**	**797.20**	**21.24**	**1,012.51**
Balance as at 31 March 2021 (Ind AS)	**78.89**	**1,252.94**	**-**	**1,331.83**

Note

* The lease agreement for POS terminals was terminated during the year ended 31 March 2021. Post which the assets were transferred to the Company at nominal value of ₹ 1. Thus the assets has been transferred from ROU assets to Property, plant and equipments with carrying value as on the date of transfer.

The Company adopted Ind AS 116, "Leases", using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured the right of use asset as if the standard had been applied since the commencement date, but discounted using the Company's incremental borrowing rate at the date of initial application. Refer Annexure VI, note 39

3 Capital work-in-progress

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Capital work-in-progress	-	-	1.42
	-	**-**	**1.42**

4 Other intangible assets

	Computer software	Copyrights	Total
Gross block			
Balance as at 01 April 2018 (Proforma Ind AS)	**11.95**	**0.01**	**11.96**
Additions	0.95	0.30	1.25
Disposals	-	-	-
Balance as at 31 March 2019 (Proforma Ind AS)	**12.90**	**0.31**	**13.21**
Adjustment	0.03	-	0.03
Additions	1.78	0.18	1.96
Disposals	-	-	-
Balance as at 31 March 2020 (Proforma Ind AS)	**14.71**	**0.49**	**15.20**
Additions	5.47	-	5.47
Disposals	-	-	-
Balance as at 31 March 2021 (Ind AS)	**20.18**	**0.49**	**20.67**
Accumulated amortisation			
Balance as at 01 April 2018 (Proforma Ind AS)	**-**	**-**	**-**
Amortisation charge	2.89	0.01	2.90
Balance as at 31 March 2019 (Proforma Ind AS)	**2.89**	**0.01**	**2.90**
Adjustment	0.03	-	0.03
Amortisation charge	3.22	0.04	3.26
Balance as at 31 March 2020 (Proforma Ind AS)	**6.14**	**0.05**	**6.19**
Amortisation charge	3.50	0.05	3.55
Balance as at 31 March 2021 (Ind AS)	**9.64**	**0.10**	**9.74**
Net block			
Balance as at 31 March 2019 (Proforma Ind AS)	**10.01**	**0.30**	**10.31**
Balance as at 31 March 2020 (Proforma Ind AS)	**8.57**	**0.44**	**9.01**
Balance as at 31 March 2021 (Ind AS)	**10.54**	**0.39**	**10.93**

Note

Deemed carrying cost

The date of transition to Ind AS for the Company is 01 April 2020. However, as described in basis of preparation, the Company has made adjustments in relation to adoption of Ind AS for the year ended 31 March 2020 and 31 March 2019 also and thus the Company had elected to measure all its other intangible assets at the previous GAAP carrying value (deemed cost) as at 01 April 2018.

5 Loans

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
A Non-current			
(Unsecured, considered good)			
Security deposits	80.88	137.96	140.90
	80.88	**137.96**	**140.90**
B Current			
(Unsecured, considered good)			
Security deposits	89.30	12.86	9.48
	89.30	**12.86**	**9.48**

6 Other financial assets

		31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
A	**Non-current**			
	Deposits with maturity of more than 12 months *	162.72	75.38	0.38
	Interest accrued but not due on bank deposits	2.65	3.21	0.01
		165.37	**78.59**	**0.39**

Note:
* Deposits are held as lien with the banks, in order to obtain working capital loans and bank overdrafts.

		31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
B	**Current**			
	Insurance claim receivable	5.79	5.54	16.01
	Employee advances	0.58	0.68	0.52
	Cash dispensed recoverable*	857.50	247.34	1,244.88
		863.87	**253.56**	**1,261.41**

Working capital loan is secured by pari-passu charge on cash at ATM and cash dispensed recoverable availed from banks and NBFC to the extent of working capital loans drawn. Refer Annexure VI, note 38 and 40.

7 Income taxes	Year ended 31 March 2021 Ind AS	Year ended 31 March 2020 Proforma Ind AS	Year ended 31 March 2019 Proforma Ind AS
Current income tax			
- For the year	-	-	-
	-	**-**	**-**
Deferred tax			
- Origination and reversal of temporary differences	(11.80)	(27.39)	(50.94)
Income tax credit	**(11.80)**	**(27.39)**	**(50.94)**

Statement of Other Comprehensive Income

Deferred tax credit related to items charged or credited to Other Comprehensive Income during the year:			
- Re-measurement gains on defined benefit plans	0.31	0.51	0.65
Deferred Tax charged to Other Comprehensive Income	**0.31**	**0.51**	**0.65**

The reconciliation between the amount computed by applying the statutory income tax rate to the (loss) / profit before tax and income tax (credit) / expense is summarised below:

Profit / (Loss) before tax	21.58	(86.05)	(292.78)
Effective tax rate	25.17%	26.00%	26.00%
Tax expense	5.43	(22.37)	(76.12)
Adjustments:			
Reversal of deferred tax asset, due to change in effective tax rate	4.55	-	-
Set off of brought forward losses on which deferred tax was not created	(24.10)	(8.90)	-
Deferred tax asset not created on losses carried forwarded	-	-	19.48
Capital expenditure not allowed as deduction	2.32	3.88	5.70
Income tax credit	**(11.80)**	**(27.39)**	**(50.95)**

The analysis of deferred tax assets / (liabilities) is as follows:

Deferred tax asset / (liability)	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Deferred tax asset/(liability) arising on account of			
Provisions for employee benefits	27.67	24.92	16.78
Allowance for impairment of debtors / advances	1.91	4.42	5.98
Difference in carrying value of PPE / other intangible assets	104.82	93.15	65.25
Leases	27.29	23.72	27.17
Fair valuation of financial instruments	(7.38)	(4.01)	(0.88)
	154.31	**142.20**	**114.30**

Note
Company has opted for reduced corporate tax rate of 25.17% as per section 115BAA of the Income Tax Act, 1961 during the year ended 31 March 2021. Basis the projections and the industry in which the Company operates, management believes that in accordance with Ind AS -12, Income Taxes, it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

Annexe VI

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Notes to Restated Financial Information (cont'd)

(All amounts in ₹ millions, unless otherwise mentioned)

7 Income taxes (cont'd)	**Year ended 31 March 2021 Ind AS**	**Year ended 31 March 2020 Proforma Ind AS**	**Year ended 31 March 2019 Proforma Ind AS**
Deferred tax credit			
Provisions for employee benefits	2.75	8.14	9.91
Allowance for impairment of debtors / advances	(2.51)	(1.56)	(0.16)
Difference in carrying value of PPE / other intangible assets	11.67	27.90	42.45
Leases	3.57	(3.45)	1.88
Fair valuation of financial instruments	(3.37)	(3.13)	(2.48)
Net deferred tax credit	**12.11**	**27.90**	**51.60**

The movement in deferred tax assets (net) during the year is as follows:	**Year ended 31 March 2021 Ind AS**	**Year ended 31 March 2020 Proforma Ind AS**	**Year ended 31 March 2019 Proforma Ind AS**
Opening balance	142.20	114.30	62.71
Tax credit recognised in profit or loss	11.80	27.39	50.94
Tax credit recognised in OCI	0.31	0.51	0.65
Closing balance	**154.31**	**142.20**	**114.30**

	31 March 2021 Ind AS	**31 March 2020 Proforma Ind AS**	**31 March 2019 Proforma Ind AS**
8 Non-current tax assets			
Advance tax and tax deducted at source	7.50	13.46	23.25
	7.50	**13.46**	**23.25**
9 Other assets			
A Non-current			
(Unsecured, considered good)			
Capital advances	0.20	0.27	0.86
	0.20	**0.27**	**0.86**
B Current			
(Unsecured, considered good)			
Advance to suppliers	13.72	2.74	5.20
Prepaid expenses	32.15	54.42	54.66
Duties and taxes recoverable	91.14	59.13	16.92
Other advances	0.50	0.50	0.50
	137.51	**116.79**	**77.28**
10 Inventories			
Stock-in-trade	2.65	-	-
	2.65	**-**	**-**

No provision is made for bringing the inventory to net realisation value has been made during the year ended 31 March 2021

11 Current investments			
Investment in mutual funds (quoted)			
Investments carried at fair value through profit or loss (FVTPL)			
Investment in mutual funds*	-	-	30.52
	-	**-**	**30.52**

* Investment in HDFC Liquid Fund Growth of 3,660 units were made in year ended 31 March 2019.

12 Trade receivables			
Trade receivable - Unsecured and Considered good			
Trade receivables - WLA	7.27	2.08	10.50
Trade receivables - Others	12.83	29.62	44.20
Trade receivable which have significant increase in credit risk	-	-	-
Less : Allowance for bad and doubtful receivables	(7.66)	(17.96)	(26.52)
	12.44	**13.74**	**28.18**

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

13 Cash and cash equivalents

Balances with banks			
- in current accounts	97.66	52.89	12.30
- in deposit account (with original maturity up to 3 months)	1,250.00	500.00	-
- Interest accrued but not due on bank deposits	0.24	0.26	-
Cheque on hand	0.01	-	-
Cash at ATM (Also, refer note below)	7,246.60	4,263.78	3,056.76
	8,594.51	**4,816.93**	**3,069.06**

Note:
Working capital loan is secured by pari-passu charge on cash at ATM and cash dispensed recoverable availed from banks and NBFC to the extent of working capital loans drawn. Refer Annexure VI, note 38 and 40.

14 Other bank balances

Deposits with original maturity more than 3 months but not more than 12 months	40.38	-	1.57
Deposits with original maturity for more than 12 months	749.36	437.23	380.26
Interest accrued but not due on bank deposits	14.40	17.45	15.66
	804.14	454.68	397.49
Deposits disclosed under non-current financial assets	(162.72)	(75.38)	(0.38)
Interest accrued disclosed under non-current financial assets	(2.65)	(3.21)	(0.01)
	638.77	**376.09**	**397.10**

Note:
(*) Deposits are held as lien with the banks, in order to obtain working capital loans and bank overdrafts. Also refer Annexure VI, note 38 and 40.

	As at 31 March 2021 Ind AS		As at 31 March 2020 Proforma Ind AS		As at 31 March 2019 Proforma Ind AS	
	Number	Amount	Number	Amount	Number	Amount
15 Equity share capital						
Authorised share capital						
Equity shares of ₹ 10 each	10,250,000	102.50	10,250,000	102.50	10,250,000	102.50
	10,250,000	**102.50**	**10,250,000**	**102.50**	**10,250,000**	**102.50**
Issued, subscribed and fully paid up						
Equity shares of ₹ 10 each	9,248,648	92.49	9,248,648	92.49	9,248,648	92.49
	9,248,648	**92.49**	**9,248,648**	**92.49**	**9,248,648**	**92.49**
a) Reconciliation of share capital (Equity)						
Balance at the beginning of the year	**9,248,648**	**92.49**	**9,248,648**	**92.49**	**9,248,648**	**92.49**
Add : Issued during the year	-	-	-	-	-	-
Balance at the end of the year	**9,248,648**	**92.49**	**9,248,648**	**92.49**	**9,248,648**	**92.49**

b) Shares held by Holding company, Ultimate Holding company, Subsidiaries/associates of holding company or Ultimate Holding company

	Number	Amount	Number	Amount	Number	Amount
Equity shares of ₹ 10 each						
The Banktech Group PTY Ltd (Ultimate Holding Company)	3,462,596	34.63	3,462,596	34.63	3,462,596	34.63
BTI Payments Singapore Pte Ltd. (Subsidiary of ultimate holding company)	1,258,480	12.58	1,258,480	12.58	1,258,480	12.58
	4,721,076	**47.21**	**4,721,076**	**47.21**	**4,721,076**	**47.21**

c) Shareholders holding more than 5% of the shares	**Number**	**Percentage**	**Number**	**Percentage**	**Number**	**Percentage**
Equity shares of ₹ 10 each						
India Advantage Fund S3 I	4,527,572	49%	4,527,572	49%	4,527,572	49%
The Banktech Group PTY Ltd (Ultimate Holding Company)	3,462,596	37%	3,462,596	37%	3,462,596	37%
BTI Payments Singapore Pte Ltd. (Subsidiary of ultimate holding company)	1,258,480	14%	1,258,480	14%	1,258,480	14%
	9,248,648	**100%**	**9,248,648**	**100%**	**9,248,648**	**100%**

d) Rights, preferences and restrictions:

Equity shares of ₹ 10 each
The Company has one class of equity shares having a face value of ₹ 10 per share. Each holder of the equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their holdings.

e) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the year of five years immediately preceding the reporting date:
The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2021.

	As at 31 March 2021 Ind AS		As at 31 March 2020 Proforma Ind AS		As at 31 March 2019 Proforma Ind AS	
	Number	Amount	Number	Amount	Number	Amount
16 Instruments entirely equity in nature						
Authorised share capital						
Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each	5,000,000	50.00	5,000,000	50.00	2,500,000	25.00
	5,000,000	**50.00**	**5,000,000**	**50.00**	**2,500,000**	**25.00**
Issued, subscribed and fully paid up						
Promoter Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each	1,246,441	12.46	1,246,441	12.46	1,246,441	12.46
2019 Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each	3,691,831	36.92	2,592,593	25.93	-	-
	4,938,272	**49.38**	**3,839,034**	**38.39**	**1,246,441**	**12.46**
a) Reconciliation of share capital (CCPS)						
Balance at the beginning of the year	**3,839,034**	**38.39**	**1,246,441**	**12.46**	**1,246,441**	**12.46**
Add : Promoter CCPS issued during the year	-	-	-	-	-	-
Add : 2019 CCPS issued during the year	1,099,238	10.99	2,592,593	25.93	-	-
Balance at the end of the year	**4,938,272**	**49.38**	**3,839,034**	**38.39**	**1,246,441**	**12.46**

b) Shares held by Holding company, Ultimate Holding company, Subsidiaries/associates of holding company or Ultimate Holding company

	Number	Amount	Number	Amount	Number	Amount
Promoter Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd. (Subsidiary of ultimate holding company)	1,246,441	12.46	1,246,441	12.46	1,246,441	12.46
	1,246,441	**12.46**	**1,246,441**	**12.46**	**1,246,441**	**12.46**
2019 Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd. (Subsidiary of ultimate holding company)	1,222,695	12.23	123,457	1.23	-	-
	1,222,695	**12.23**	**123,457**	**1.23**	**-**	**-**

c) Shareholders holding more than 5% of the shares

	Number	Percentage	Number	Percentage	Number	Percentage
Promoter Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd. (Subsidiary of ultimate holding company)	1,246,441	100%	1,246,441	100%	1,246,441	100%
	1,246,441	**100%**	**1,246,441**	**100%**	**1,246,441**	**100%**
2019 Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd. (Subsidiary of ultimate holding company)	1,222,695	33%	123,457	5%	-	-
India Advantage Fund S4 I	2,271,605	62%	2,271,605	88%	-	-
Dynamic India Fund S4 US I	197,531	5%	197,531	7%	-	-
	3,691,831	**100%**	**2,592,593**	**100%**	**-**	**-**

d) Rights, preferences and restrictions:

Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each
Both Promoter Compulsorily Convertible Cumulative Preference Shares of the Company having a nominal value of ₹ 10 per share and 2019 Compulsorily Convertible Preference shares of the Company having a nominal value ₹ 10 per share shall be entitled to the following:

(i) Dividends: The CCPS shall carry a pre-determined cumulative dividend at the rate of 0.0001 percent per annum on aggregate value of the CCPS.

(ii) Until converted in accordance with the provisions of the schedule and applicable law, all issued CCPS shall carry voting rights with equity shares on as-if-converted basis, and the holders of the CCPS shall be entitled to vote in all meetings of the shareholders of the Company accordingly.

(iii) Subject to applicable laws, CCPS shall automatically be converted into equity shares. Each CCPS will be converted into 1.4105 equity shares. The CCPS would be converted at the earliest of the following events:
a) one day prior to expiry of the 20 years from the date of issuance of CCPS; or
b) in connection with a Initial Public Offering, prior to filing of a prospectus (or equivalent document) by the Company with the competent authority or such later date as may be permitted under applicable law.

e) Increase in Authorised Share Capital
The authorised Compulsorily Convertible Preference Share capital of the Company was increased during the in the Extraordinary General Meetings held on 14 August 2019. The Company has adopted the amended Articles as the new Articles of Association vide resolution passed in Extraordinary General Meetings held on 14 August 2019.

17 Other equity

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Securities premium	4,394.75	3,960.55	2,936.48
Retained earnings	(2,569.26)	(2,602.64)	(2,543.98)
OCI	(4.20)	(3.29)	(1.84)
Money received against share warrants	-	-	0.02
	1,821.29	**1,354.62**	**390.68**

During the financial year 2018-19, the Company had issued 25 share warrants to Blacksoil Capital Private Limited with a right to receive 70 equity shares on surrender of warrants. The Company had received ₹ 20,000 towards initial consideration for the warrants issued. In the reporting period ended 31 March 2020, the warrant subscription agreement has been terminated vide agreement dated 05 November 2019 and the warrants held by Blacksoil Capital Private Limited have been forfeited and extinguished including the consideration received amounting ₹ 20,000 by payment of settlement amount of ₹ 4,500,000.

a) Nature and purpose of other reserves

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

18 Borrowings

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
A Non-current			
Term loans (secured)			
From banks	702.11	513.37	643.77
From other parties	-	-	121.66
	702.11	513.37	765.43
Less: Current maturities of long term borrowings	(103.99)	(145.20)	(186.28)
	598.12	**368.17**	**579.15**
B Current			
Loans repayable on demand - Bank Overdrafts (secured)			
From banks	1,947.91	1,509.05	3,332.84
Working Capital Demand Loan (secured)			
From banks	6,096.93	2,703.26	801.04
From other parties	400.00	-	-
	8,444.84	**4,212.31**	**4,133.88**

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

18 Borrowings (Continued)

Non-current borrowings
Term loans from banks (Secured)

SL No	Particulars	Nature of security	Repayment details	Interest Rate %	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
i.	**IndusInd Bank Limited**	1) Hypothecation of the entire Current Assets of the borrower. The current asset shall include borrower's cash and cash equivalent, cash in transit, cash stored in the ATM's and receivables from NPCI. Margin money of 5% of the facility to be kept as lien marked FD before disbursement. 2) All the securities as applicable to the main line are also available to this line. 3) Exclusive charge on fixed asset of the Company i.e., assets deployed at sites comprising of cash dispenser, VSAT equipment, CCTV equipment, Power Solution with other infra items with assets cover of 1.25 times of outstanding loan amount. Asset coverage of 1.25 times of the outstanding loan amount to be maintained during the entire tenor of the facility.	Repayable in 84 equated monthly instalments commencing from October 2020	9.00%	702.11	-	-
ii.	**Lakshmi Vilas Bank**	1) Fixed Assets (Designated ATM) i.e., assets deployed at sites comprising of cash dispensers, VSAT equipments, CCTV equipments, Power Solutions (UPS and Battery) with other infra items with assets cover of 125% of the loan amount. 2) Exclusive charge over NPCI receivables in relation to designated/linked ATMs of the Company.	Repayable in 60 equated monthly instalments commencing from May 2018	10.3% to 10.8%	-	513.37	643.77
		Sub-total			**702.11**	**513.37**	**643.77**
Term loans from others (Secured)							
i.	**Black soil**	1) secured by pari-pass charge on all interchange fee receivables from NPCI for qualifying ATMs through escrow mechanism and first charge on book value of qualifying ATMs as at 31 March 2017 totaling to 1.5 times of the loan amount disbursed	Repayable in 36 equated monthly instalments commencing from May 2018	16.75%	-	-	121.66
		Sub-total			**-**	**-**	**121.66**
		Total non-current borrowings			**702.11**	**513.37**	**765.43**

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

18 Borrowings (Continued)

Current borrowings
Working capital loans from banks

SL No	Particulars	Nature of security	Repayment details	Interest Rate %	31 March 2021 Ind AS	31 March 2020 Proforma Ind As	31 March 2019 Proforma Ind As
i.	**ANZ**	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 10 days from sanction date	5.9% to 9.45%	2,850.00	1,500.00	800.00
	RBL Bank Limited	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 10 days from sanction date	8.5% to 10.16%	360.00	300.00	-
	IndusInd Bank Limited	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 10 days from sanction date	8.32% to 12.01%	300.00	300.00	-
	IDFC Bank Limited	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 10 days from sanction date	8.75% to 11.13%	360.00	240.00	-
	Federal Bank Limited	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 10 days from sanction date	8.9% to 10.01%	360.00	300.00	-
	Axis Bank	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 31 days from sanction date	7.91% to 9.40%	240.00	60.00	-
	Kotak Bank	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 31 days from sanction date	7.6% to 8%	350.00	-	-
	HDFC Bank	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 31 days from sanction date	6.54% to 7.90%	609.71	-	-
	ICICI Bank	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 11 days from sanction date	8.03% to 8.20%	420.00	-	-
	SBM Bank	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 11 days from sanction date	8.75%	240.00	-	-
		Interest on working capital demand loan			7.22	3.26	1.04
		Sub-total - (A)			**6,096.93**	**2,703.26**	**801.04**

18 Borrowings (Continued)

Overdraft from banks

SL No	Particulars	Nature of security	Repayment details	Interest Rate %	31 March 2021 Ind AS	31 March 2020 Proforma Ind As	31 March 2019 Proforma Ind As
i.	**Federal Bank Limited**	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	9.25% (Linked to 12M MCLR)	187.16	193.75	521.90
ii.	**RBL Bank Limited**	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	3M MCLR+ 0.35% p.a.	190.89	12.04	520.74
iii.	**ANZ Banking Group Limited**	Secured by pari-passu charge on cash at ATMs and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	ANZ's overnight MCLR+1.50% per annum payable monthly.	-	118.31	786.08
iv.	**IndusInd Bank Limited**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	Floating rate of MCLR-OD-One Month+ 0.00% presently 8.35% p.a. at monthly rest. Presently applicable Bank's MCLR-OD-One Month is 8.35%.	2.12	25.08	233.66
v	**IDFC Bank Limited**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	IDFC 12 Months MCLR+ 0.80% Spread	127.57	4.88	195.67
vi.	**Bank of Baroda**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	0.85% over and above 1-year effective MCLR i.e., 9.25% p.a. at present.	896.37	994.15	994.02
vii.	**Axis Bank**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	1 M MCLR + 1.15% p.a.	-	160.84	80.77
viii.	**Kotak Bank**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	MCLR+ < Spread (Applicable MCLR period- 6M/1Y	101.86	-	-
ix.	**HDFC Bank**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	As mutually agreed.	341.82	-	-
x.	**SBM Bank**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable on demand	8.85% linked to 6 Month SBM MCLR.	100.12	-	-
		Sub-total - (B)			**1,947.91**	**1,509.05**	**3,332.84**
Working capital loans from financial institutions							
i.	**BAJAJ FINANCE LIMITED**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 10 days from sanction date	8.50%	250.00	-	-
ii.	**VIVRITI CAPITAL PRIVATE LIMITED**	secured by pari-passu charge on cash in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI)	Repayable in 31 days from sanction date	13.00%	150.00	-	-
		Sub-total - (C)			**400.00**	**-**	**-**
		Total current borrowings - (A + B + C)			**8,444.84**	**4,212.31**	**4,133.88**

		31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
19	**Other financial liabilities**			
A	**Non-current**			
	Security deposit from vendors	544.49	319.83	171.69
	Retention money payable	4.18	1.30	-
	Lease liability (*)	960.88	644.10	488.09
		1,509.55	**965.23**	**659.78**
B	**Current**			
	Current maturities of long term borrowings (refer note 18A in Annexure VI)	103.99	145.20	186.28
	Dues to employees (**)	20.12	20.21	19.16
	Accrued capital creditors	154.19	138.80	29.47
	Accrued expenses	15.35	9.67	7.38
	Overages	107.62	140.71	118.76
	Retention money payable	6.63	1.52	3.33
	Current maturities of lease obligations (*)	435.14	384.99	360.79
		843.04	**841.10**	**725.17**

(*) refer Annexure VI, note 39
(**) refer Annexure VI, note 37

		31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
20	**Provisions**			
A	**Non-current**			
	Employee benefits			
	Gratuity (*)	19.65	16.24	11.24
	Provision for expenses			
	Stock appreciation rights (**)	51.12	46.14	27.66
	Retirement of Property, plant and equipment	2.57	4.17	9.10
		73.34	**66.55**	**48.00**
B	**Current**			
	Employee benefits			
	Gratuity (*)	3.29	0.92	0.92
	Compensated absences (*)	15.77	12.34	5.54
		19.06	**13.26**	**6.46**

(*) refer Annexure VI, note 33
(**) refer Annexure VI, note 42

		31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
21	**Trade payables**			
	Dues to micro and small enterprises (refer note (a) below)	15.15	5.67	7.23
	Dues to others	80.71	55.83	133.27
	Accrued expenses	257.56	255.27	200.72
		353.42	**316.77**	**341.22**

Note: Dues to micro, small and medium enterprises :
The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
The principal amount remaining unpaid	15.15	5.67	7.23
Interest due thereon remaining unpaid	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
The amount of interest accrued during the year and remaining unpaid.	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

22 Other liabilities

		31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
A	**Non-current**			
	Deferred liability on security deposit	600.85	357.40	204.48
		600.85	**357.40**	**204.48**
B	**Current**			
	Statutory dues payable	18.26	19.17	12.77
	Deferred liability on security deposit	66.71	39.68	22.70
	Income received in advance	0.10	0.18	0.55
		85.07	**59.03**	**36.02**

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

	Year ended 31 March 2021 Ind AS	Year ended 31 March 2020 Proforma Ind AS	Year ended 31 March 2019 Proforma Ind AS
23 Revenue from operations			
Sale of products			
Traded goods	1.70	-	-
Sale of services			
White Label ATM	3,149.98	2,466.57	2,106.00
ATM managed services	0.21	52.04	131.53
POS - Technical services	24.09	41.95	55.28
Micro ATM - Technical services	0.00	-	-
	3,175.98	**2,560.56**	**2,292.81**
24 Other income			
Interest income	44.56	43.90	36.18
Net gain on sale of current investments	-	17.59	1.59
Sale of property, plant and equipment	4.11	3.58	5.54
Provisions and liabilities no longer required written back	42.58	30.12	10.61
Gain on modification of financial instrument (net)	-	1.60	2.81
Miscellaneous income	3.35	4.11	0.09
	94.60	**100.90**	**56.82**
25 Operating expenses			
ATM running cost	221.64	187.42	179.22
Security and housekeeping expenses	6.33	7.56	77.03
Switching and connectivity expenses	88.10	55.05	49.57
Cash delivery and loading expenses	679.27	541.38	498.42
Sponsor bank charges	35.55	31.32	30.83
Power and fuel	112.12	90.93	84.40
	1,143.01	**913.66**	**919.47**
26 Changes in inventories of stock-in-trade			
Purchases of stock-in-trade:			
Micro ATM	4.20	-	-
Micro POS	0.53	-	-
	4.73	**-**	**-**
Changes in Inventories of stock-in-trade:			
Opening Stock:	-	-	-
Closing Stock:	(2.65)	-	-
	(2.65)	**-**	**-**
27 Employee benefits expense			
Salaries, wages and bonus	290.37	260.65	223.80
Stock appreciation rights	4.98	20.00	7.89
Gratuity (refer note 33 in Annexure VI)	5.66	4.18	3.23
Contribution to provident and other funds	12.97	10.97	9.47
Staff welfare expenses	4.35	5.86	5.62
	318.33	**301.66**	**250.01**
28 Finance costs			
Interest expense	410.70	362.75	407.55
Interest on lease obligation	118.85	82.91	90.36
Unwinding of discounted deposits	34.58	21.78	10.02
Other borrowing costs	23.83	14.64	17.71
	587.96	**482.08**	**525.64**
29 Depreciation and amortisation expense			
Depreciation of property, plant and equipment (refer Annexure VI, note 1)	417.82	363.50	323.91
Amortisation of other intangible assets (refer Annexure VI, note 4)	3.55	3.26	2.90
Depreciation of right of use of assets (refer Annexure VI, note 2)	424.31	350.71	319.71
	845.68	**717.47**	**646.52**

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

	Year ended 31 March 2021 Ind AS	Year ended 31 March 2020 Proforma Ind AS	Year ended 31 March 2019 Proforma Ind AS
30 Other expenses			
Repairs and maintenance			
- Plant and equipment	143.10	102.80	110.26
- Others	0.15	0.12	0.13
Insurance	55.76	56.97	35.31
Rent	1.71	6.36	10.95
Rates and taxes	2.31	7.23	1.39
Payments to auditors (refer note 32 in Annexure VI)	1.85	1.59	1.64
Travelling and conveyance	18.45	25.75	19.78
Outsourced manpower expenses	10.59	10.72	8.12
Advertisement and sales promotion	66.69	59.46	55.89
Legal and professional	13.73	17.61	11.40
Property, plant and equipment written off	9.22	14.94	19.43
Advances written off	0.35	0.09	0.38
Telephone expense	1.81	1.29	1.41
Marketing expenses	8.73	11.04	10.17
Computer software maintenance	3.03	2.91	3.11
Newspapers, magazines and periodicals	0.31	0.25	0.25
Printing and stationery	0.87	0.79	0.50
Courier expenses	0.75	1.49	1.88
Bank charges	1.75	2.43	0.53
Relocation and re-deployment expenses	9.02	7.76	4.98
Provision for retirement of property, plant and equipment	-	-	0.28
Provision for doubtful receivables	-	-	1.86
Loss on modification of financial instrument (net)	1.25	-	-
Miscellaneous expenses	0.51	1.04	1.12
	351.94	**332.64**	**300.77**

31 Earnings / (Loss) per equity share

Restated Profit / (Loss) attributable to the equity shareholders for calcuation of basic EPS	33.38	(58.66)	(241.84)
Effect of dilutive potential equity shares	-	-	-
Restated Profit / (Loss) attributable to the equity shareholders for calcuation of diluted EPS	33.38	(58.66)	(241.84)
Weighted average number of shares outstanding during the year for computing basic EPS (in numbers) (*)	18,497,296	18,497,296	18,497,296
Add: Effect of potential shares for conversion of CCPS (*, **)	11,337,648	-	-
Add: Effect of potential shares for conversion of share warrants (***)	-	-	-
Weighted average number of shares outstanding during the year for computing diluted EPS (in numbers)	**29,834,944**	**18,497,296**	**18,497,296**
Earnings / (Loss) per share:			
Basic (In ₹)	1.80	(3.17)	(13.07)
Diluted (In ₹)	1.12	(3.17)	(13.07)
Nominal value per share (In ₹) (*)	5.00	5.00	5.00

* The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each, pursuant to our Board and Shareholders' resolution passed on 13 August 2021 which resulted into increase in number of equity shares issued from 9,248,648 to 18,497,296. Similarly the impact on potential shares for conversion of CCPS has increased from 6,965,508 to 13,931,016. The record date for the aforementioned sub-division was 13 August 2021.

In compliance with IND AS 33 "Earnings per share", the disclosure of earnings per share for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 has been arrived at after giving effect to the above sub-division

** The potential shares for conversion of CCPS are decreasing loss per share for the year ended 31 March 2020 and 31 March 2019 and hence treated as anti-dilutive. The effect of anti-dilutive potential shares for conversion of CCPS are ignored for calculating dilutive loss per share.

*** The potential shares for conversion of share warrants are decreasing loss per share for the year ended 31 March 2019 and hence treated as anti-dilutive. The effect of anti-dilutive potential shares for conversion of CCPS are ignored for calculating dilutive loss per share.

32 Payments to auditors *

Statutory audit	1.85	1.59	1.64
	1.85	**1.59**	**1.64**

* Excluding Goods and Services Tax

33 Employee benefits

A Defined benefit plan

The Company has gratuity as defined benefit retirement plans for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. The plan assets were invested in insurer managed funds.

The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial statements :

	31 March 2021	31 March 2020	31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
1 The amounts recognized in the Restated Statement of Asset and Liabilities are as follows:			
Present value of the obligation as at the end of the year	22.93	17.17	12.16
Fair value of plan assets as at the end of the year	-	-	-
Net liability recognized in the Restated Statement of Asset and Liabilities	**22.93**	**17.17**	**12.16**
Changes in the present value of defined benefit obligation			
Defined benefit obligation as at beginning of the reporting period	17.17	12.16	7.91
Current service cost	4.49	3.25	2.62
Interest cost	1.17	0.93	0.61
Actuarial (gains) / losses			
- change in demographic assumptions	(1.89)	(0.01)	0.57
- change in financial assumptions	(0.02)	0.75	(0.36)
- experience variance (i.e. actual experiences assumptions)	3.13	1.21	2.28
Benefits paid	(1.12)	(1.12)	(1.47)
Defined benefit obligation as at the end of the reporting period	**22.93**	**17.17**	**12.16**
Non-current	19.65	16.24	11.24
Current	3.28	0.93	0.92
3 Net gratuity cost			
Current service cost	4.49	3.25	2.62
Net interest cost on the net defined benefit liability	1.17	0.93	0.61
Components of defined benefit costs recognized in Restated Statement of Profit and Loss	**5.66**	**4.18**	**3.23**
4 Other Comprehensive Income			
Actuarial loss for the year on PBO	(1.22)	(1.96)	(2.49)
Components of defined benefit costs recognized in other comprehensive income	**(1.22)**	**(1.96)**	**(2.49)**
5 Assumptions used in the above valuations are as under:			
Discount rate	6.80%	6.79%	7.66%
Future salary increase	9.00%	9.00%	9.00%
Retirement age (years)	58-65	58	58
Mortality table	IALM (2012-14)	IALM (2012-14)	IALM (2006-08)
Attrition rate:			
Upto to 30 years	5.90%	17.20%	27.10%
From 31 to 44 years	14.70%	17.80%	18.10%
Above 44 years	21.10%	0.00%	9.10%

6 Experience adjustments	31 March 2021	31 March 2020	31 March 2019	31 March 2018	31 March 2017
Present value of obligation as at the end of period	22.93	17.17	12.16	7.91	6.30
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus / (Deficit)	(22.93)	(17.17)	(12.16)	(7.91)	(6.30)
Experience adjustment on plan Liabilities (loss) / gain	(1.22)	(1.21)	(2.28)	(1.28)	(0.54)
Experience adjustment on plan Assets (loss) / gain	-	-	-	-	-

7 Maturity profile of defined benefit obligation

	31 March 2021	31 March 2020	31 March 2019
Year	Ind AS	Proforma Ind AS	Proforma Ind AS
0 to 1 Year	3.29	0.92	0.92
1 to 2 Year	5.67	3.02	1.38
2 to 3 Year	2.28	2.66	2.47
3 to 4 Year	1.99	0.76	1.99
4 to 5 Year	1.70	0.59	0.69
5 to 6 Year	1.40	0.40	0.58
6 Year onwards	6.60	8.82	4.13

7 Maturity profile of defined benefit obligation (cont'd)

B Compensated absences

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Assumptions used in accounting for compensated absences:			
i) Discounting Rate	6.80%	6.79%	7.66%
ii) Future salary Increase	9%	9%	9%
iii) Retirement Age (Years)	58/65	58	58
iv) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)	IALM (2006-08)
v) Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	5.90%	17.20%	27.10%
From 31 to 44 years	14.70%	17.80%	18.10%
Above 44 years	21.10%	0%	9.10%
vi) Leave			
Leave Availment Rate	5%	5%	5%
Leave Lapse rate while in service	Nil	Nil	Nil
Leave Lapse rate on exit	Nil	Nil	Nil
Leave encashment Rate while in service	5%	5%	5%

C Sensitivity analysis

Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Sensitivity Analysis of the defined benefit obligation.

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
a) Impact of the change in discount rate			
Present Value of Obligation at the end of the period	22.93	17.17	12.16
Impact due to increase of 0.50%	(0.47)	(0.67)	(0.33)
Impact due to decrease of 0.50 %	0.49	0.72	0.34
b) Impact of the change in salary increase			
Present Value of Obligation at the end of the period	22.93	17.17	12.16
Impact due to increase of 0.50%	0.48	0.55	0.26
Impact due to decrease of 0.50 %	(0.46)	(0.52)	(0.25)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

There is no change in the method of valuation as compared to prior years.

D Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution and contribution made for the year ended 31 March 2021: ₹ 12.97 million; 31 March 2020: ₹ 10.97 million and 31 March 2019: ₹ 9.47 million.

34 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in White Label ATM Operations (WLA), ATM managed services (MSP) and POS Technical services (POS) which represent different business segments as they are subject to risks and returns that are not similar to each other. The Company operates only in India and there is no other geographical segment.

Accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments.

Revenue and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other costs wherever allocable, are apportioned to the segments on an appropriate basis. Certain expenses are not specifically allocable to individual segments as underlying services are used interchangeably. The Company therefore believes that it is not practicable to provide segment disclosures relating to such expense, and accordingly such expenses are separately disclosed as "unallocated" and are directly charged against total income.

Assets and liabilities in relation to segments are categorised based on items that are individually identifiable to that segment. Certain assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Company therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly these are separately disclosed as 'unallocated'.

Operating segments

		31 March 2021 (IND AS)					31 March 2020 (Proforma IND AS)				
		WLA (₹)	MSP & BLA (₹)	POS (₹)	MATM (₹)	Total (₹)	WLA (₹)	MSP & BLA (₹)	POS (₹)	MATM (₹)	Total (₹)
(i)	**Revenue**										
	External sales	3,149.98	0.21	24.09	1.70	3,175.98	2,466.57	52.04	41.95	-	2,560.56
	Total revenue from operations	**3,149.98**	**0.21**	**24.09**	**1.70**	**3,175.98**	**2,466.57**	**52.04**	**41.95**	**-**	**2,560.56**
(ii)	**Cost**										
	Cost	2,380.05	0.03	21.97	2.49	2,404.54	1,961.80	32.05	38.15	-	2,032.00
	Total Cost for operations	**2,380.05**	**0.03**	**21.97**	**2.49**	**2,404.54**	**1,961.80**	**32.05**	**38.15**	**-**	**2,032.00**
(iii)	**Results reconciliation**										
	Segment result	769.93	0.18	2.12	(0.79)	771.44	504.77	19.99	3.80	-	528.56
	Operating profit	**769.93**	**0.18**	**2.12**	**(0.79)**	**771.44**	**504.77**	**19.99**	**3.80**	**-**	**528.56**
(iv)	**Others (Unallocated)**										
	Other Income	92.30	-	2.30	-	94.60	90.74	0.37	9.79	-	100.90
		92.30	**-**	**2.30**	**-**	**94.60**	**90.74**	**0.37**	**9.79**	**-**	**100.90**
(v)	**Segment depreciation and amortisation**										
	Depreciation and amortisation expense	833.59	-	12.09	-	845.68	701.15	0.10	16.22	-	717.47
	Total depreciation	**833.59**	**-**	**12.09**	**-**	**845.68**	**701.15**	**0.10**	**16.22**	**-**	**717.47**
	Profit/(loss) before tax	**28.64**	**0.18**	**(7.67)**	**(0.79)**	**20.36**	**(105.64)**	**20.26**	**(2.63)**	**-**	**(88.01)**
	Income taxes expense (Unallocated)					(12.11)					(27.90)
	Profit/(loss) for the year	**28.64**	**0.18**	**(7.67)**	**(0.79)**	**32.47**	**(105.64)**	**20.26**	**(2.63)**	**-**	**(60.11)**
(v)	**Other information**										
	Segment assets (property, plant and equipment)	3,713.49	-	29.40	0.25	3,743.14	2,683.62	0.34	38.91	-	2,722.87
	Segment assets (other than property, plant and equipment)	10,578.02	-	4.40	3.09	10,585.51	5,794.43	5.88	6.48	-	5,806.79
	Unallocated corporate assets	-	-	-	-	161.80	-	-	-	-	155.66
	Total assets	**14,291.51**	**-**	**33.80**	**3.34**	**14,490.45**	**8,478.05**	**6.22**	**45.39**	**-**	**8,685.32**
	Segment liabilities	12,520.22	-	7.06	0.01	12,527.29	7,185.55	5.55	8.72	-	7,199.82
	Total liabilities	**12,520.22**	**-**	**7.06**	**0.01**	**12,527.29**	**7,185.55**	**5.55**	**8.72**	**-**	**7,199.82**

34 Segment Reporting (cont'd)

		31 March 2019 (Proforma IND AS)				
		WLA (₹)	**MSP & BLA (₹)**	**POS (₹)**	**MATM (₹)**	**Total (₹)**
(i)	**Revenue**					
	External sales	2,106.00	131.53	55.28	-	**2,292.81**
	Total revenue from operations	**2,106.00**	**131.53**	**55.28**	**-**	**2,292.81**
(ii)	**Cost**					
	Cost	1,844.81	109.72	43.85	-	**1,998.38**
	Total Cost for operations	**1,844.81**	**109.72**	**43.85**	**-**	**1,998.38**
(iii)	**Results reconciliation**					
	Segment result	261.19	21.81	11.43	-	294.43
	Operating profit	**261.19**	**21.81**	**11.43**	**-**	**294.43**
(iv)	**Others (Unallocated)**					
	Other Income	54.25	0.10	2.47	-	56.82
		54.25	**0.10**	**2.47**	**-**	**56.82**
(v)	**Segment depreciation and amortisation**					
	Depreciation and amortisation expense	627.87	0.25	18.40	-	646.52
	Total depreciation	**627.87**	**0.25**	**18.40**	**-**	**646.52**
	Profit/(loss) before tax	**(312.43)**	**21.66**	**(4.50)**	-	**(295.27)**
	Income taxes expense (Unallocated)					(51.59)
	Profit/(loss) for the year	**(312.43)**	**21.66**	**(4.49)**	**-**	**(243.68)**
(v)	**Other information**					
	Segment assets (Property, plant and equipment)	2,019.27	0.94	56.85	-	2,077.06
	Segment assets (Other than property, plant and equipment)	4,994.66	13.76	6.25	-	5,014.67
	Unallocated corporate assets	-	-	-	-	138.06
	Total assets	**7,013.93**	**14.70**	**63.10**	**-**	**7,229.79**
	Segment liabilities	6,695.21	15.26	23.69	-	6,734.16
	Total liabilities	**6,695.21**	**15.26**	**23.69**	**-**	**6,734.16**

35 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

As at 31 March 2021 (Ind AS)

Particulars	Annexure VI	FVTPL ₹	FVTOCI ₹	Amortized cost ₹	Total carrying value ₹	Total fair value ₹
Financial assets :						
Trade receivables	Note 12	-	-	12.44	12.44	12.44
Loans	Note 5	-	-	170.18	170.18	170.18
Cash and cash equivalents including other bank balances (*)	Note 6,13&14	-	-	9,398.65	9,398.65	9,398.65
Other financial assets	Note 6	-	-	863.87	863.87	863.87
Total financial assets		**-**	**-**	**10,445.14**	**10,445.14**	**10,445.14**
Financial liabilities :						
Borrowings (**)	Note 18&19	-	-	9,146.95	9,146.95	9,146.95
Trade payables	Note 21	-	-	353.42	353.42	353.42
Other financial liabilities	Note 19	-	-	2,248.60	2,248.60	2,248.60
Total financial liabilities		**-**	**-**	**11,748.97**	**11,748.97**	**11,748.97**

(*) including non-current bank deposits classified as other financial assets
(**) including current maturities of long term borrowings

As at 31 March 2020 (Proforma Ind AS)

Particulars	Annexure VI	FVTPL ₹	FVTOCI ₹	Amortized cost ₹	Total carrying value ₹	Total fair value ₹
Financial assets :						
Trade receivables	Note 12	-	-	13.74	13.74	13.74
Loans	Note 5	-	-	150.81	150.81	150.81
Cash and cash equivalents including other bank balances (*)	Note 6,13&14	-	-	5,271.61	5,271.61	5,271.61
Other financial assets	Note 6	-	-	253.56	253.56	253.56
Total financial assets		**-**	**-**	**5,689.72**	**5,689.72**	**5,689.72**
Financial liabilities :						
Borrowings (**)	Note 18&19	-	-	4,725.68	4,725.68	4,725.68
Trade payables	Note 21	-	-	316.77	316.77	316.77
Other financial liabilities	Note 19	-	-	1,661.13	1,661.13	1,661.13
Total financial liabilities		**-**	**-**	**6,703.58**	**6,703.58**	**6,703.58**

(*) including non-current bank deposits classified as other financial assets
(**) including current maturities of long term borrowings

As at 31 March 2019 (Proforma Ind AS)

Particulars	Annexure VI	FVTPL ₹	FVTOCI ₹	Amortized cost ₹	Total carrying value ₹	Total fair value ₹
Financial assets :						
Investments	Note 11	30.52	-	-	30.52	30.52
Trade receivables	Note 12	-	-	28.18	28.18	28.18
Loans	Note 5	-	-	150.38	150.38	150.38
Cash and cash equivalents including other bank balances (*)	Note 6,13&14	-	-	3,466.55	3,466.55	3,466.55
Other financial assets	Note 6	-	-	1,261.41	1,261.41	1,261.41
Total financial assets		**30.52**	**-**	**4,906.52**	**4,937.04**	**4,937.04**
Financial liabilities :						
Borrowings (**)	Note 18&19	-	-	4,899.31	4,899.31	4,899.31
Trade payables	Note 21	-	-	341.22	341.22	341.22
Other financial liabilities	Note 19	-	-	1,198.67	1,198.67	1,198.67
Total financial liabilities		**-**	**-**	**6,439.20**	**6,439.20**	**6,439.20**

(*) including non-current bank deposits classified as other financial assets
(**) including current maturities of long term borrowings

Notes to financial instruments

1 The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

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

2 Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability.

Investment in Mutual funds

The fair values of mutual funds are measured by the use of net asset value.

The following table shows the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis

As at 31 March 2019 (Proforma Ind AS)		Level 1	Level 2	Level 3	Total
Financial assets					
Investments	Annexure VI note 10	-	30.52	-	30.52
Net fair value		**-**	**30.52**	**-**	**30.52**

36 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources 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
Credit risk	Balances with bank, cheque on hand, other bank balances, trade receivables, loans, financial assets, financial guarantees and investments	Ageing analysis and recoverability assessment
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts
Market risk – security prices	Investment in securities	Sensitivity analysis

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The board of directors provides principles for overall risk management, as well as policies covering specific areas, such interest rate risk, credit risk and investment of excess liquidity.

A Credit risk

Credit risk arises from cash and cash equivalent, other bank balances, trade receivables, loans and other financial assets.

Credit risk management

The Company assesses and manages credit risk of financial assets based on the following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company provides for expected credit loss based on the following:

Description	Asset group	Provision for expenses credit loss (*)	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Balances with bank, cheque on hand, other bank balances, trade receivables, loans, financial assets, financial guarantees and investments	Low credit risk	12 months expected credit loss/life time expected credit loss	3,193.77	1,430.16	1,848.10
Trade receivables - WLA	Low credit risk	Life time expected credit loss or fully provided for	7.27	2.08	10.47
Trade receivables - Others	High credit risk	Life time expected credit loss or fully provided for	5.17	11.66	17.70

(*) A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

Credit risk exposure

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets:

31 March 2021 (Ind AS)

Particulars	Estimated gross carrying amount	Expected credit losses *	Carrying amount net of impairment
Trade receivables	20.10	7.66	12.44
Security deposit	170.18	-	170.18
Balances with banks	1,347.91	-	1,347.91
Cheque on hand	0.01	-	0.01
Other bank balance	638.77	-	638.77
Other financial assets	1,029.25	-	1,029.25

31 March 2020 (Proforma Ind AS)

Particulars	Estimated gross carrying amount	Expected credit losses *	Carrying amount net of impairment
Trade receivables	31.70	17.96	13.74
Security deposit	150.81	-	150.81
Balances with banks	553.16	-	553.16
Other bank balance	376.09	-	376.09
Other financial assets	332.14	-	332.14

31 March 2019 (Proforma Ind AS)

Particulars	Estimated gross carrying amount	Expected credit losses *	Carrying amount net of impairment
Trade receivables	54.70	26.52	28.18
Security deposit	150.38	-	150.38
Balances with banks	12.30	-	12.30
Other bank balance	397.10	-	397.10
Other financial assets	1,261.80	-	1,261.80
Investments	30.52	-	30.52

* There were no reversal of provision for expected credit loss during the year ended 31 March 2021, 31 March 2020 and 31 March 2019.

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 March 2021 (Ind AS)

Particulars	Less than 1 year	1 year to 5 years	5 years and above	Total
Borrowings (*)	8,615.21	582.76	186.94	9,384.91
Trade payables	353.42	-	-	353.42
Other financial liabilities (**)	761.02	1,243.29	1,236.91	3,241.22
Total	**9,729.65**	**1,826.05**	**1,423.86**	**12,979.55**

31 March 2020 (Proforma Ind AS)

Particulars	Less than 1 year	1 year to 5 years	5 years and above	Total
Borrowings (*)	4,405.12	413.06	-	4,818.17
Trade payables	316.77	-	-	316.77
Other financial liabilities (**)	714.48	821.48	741.04	2,276.99
Total	**5,436.36**	**1,234.54**	**741.04**	**7,411.94**

31 March 2019 (Proforma Ind AS)

Particulars	Less than 1 year	1 year to 5 years	5 years and above	Total
Borrowings (*)	4,399.36	677.79	-	5,077.15
Trade payables	341.22	-	-	341.22
Other financial liabilities (**)	549.28	582.73	428.80	1,560.81
Total	**5,289.86**	**1,260.52**	**428.80**	**6,979.19**

(*) including current maturities of long-term borrowings
(**) includes lease liabilities

C Market risk

a Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars (^)	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Variable rate borrowing	1,947.91	1,509.05	3,332.84
Fixed rate borrowing	7,191.81	3,213.37	1,565.43

(^) Excluding adjustment for processing fee for current borrowings

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Interest rates – increase by 50 basis points (50 bps)	(9.74)	(7.55)	(16.66)
Interest rates – decrease by 50 basis points (50 bps)	9.74	7.55	16.66

37 Related parties

Names of related parties

i) Controlling entity

Name of the party	**Nature of relationship**
The Banktech Group Pty Ltd	Ultimate Holding Company

ii) Entities under common control

	Nature of relationship
BTI Payments Singapore Pte Ltd.	Fellow subsidiary

iii) Party with significant influence

Name of the party	**Nature of relationship**
India Advantage Fund S3 I	Significant Shareholder

iv) Key Management Personnel

Name	**Nature of relationship**
Mr. K Srinivas	Chief Executive Officer and Managing Director
Mr. Sanjay Bajaj	Company secretary (till 01 August 2021) Chief Financial Officer (w.e.f 02 August 2021)
Mr. Mohit Nagar	Company secretary (w.e.f 02 August 2021)
Mr. David Scott Glen	Non-Executive Director
Mr. Peter A Blackett	Non-Executive Director
Mr. Nikhil Mohta	Non-Executive Director
Mr. Ganagdeep Chinna	Non-Executive Director (*)
Mr. L N Krishnan	Non-Executive Director (*)
Mr R Subramaniakumar	Independent, Non-Executive Director (**)
Ms. Amrita Gangotra	Independent, Non-Executive Director (**)
Mr. Natrajan Ramakrishna	Independent, Non-Executive Director (**)
Ms. Ruchita Taneja Aggarwal	Independent, Non-Executive Director (**)

* resigned as Non-Executive Director w.e.f. 01 September 2021
** appointed on Non-executive director wef 01 September 2021

	31 March 2021 **Ind AS**	**31 March 2020** **Proforma Ind AS**	**31 March 2019** **Proforma Ind AS**
a) Transactions with related parties			
Remuneration to KMP *			
Mr. K Srinivas			
Short-term employee benefits	25.74	24.65	22.01
Post employment benefits - provident fund	1.66	1.31	1.59
Stock appreciation rights expense	2.37	8.50	4.16
Mr. Sanjay Bajaj			
Short-term employee benefits	10.36	9.09	8.33
Post employment benefits - provident fund	0.75	0.66	0.54
Stock appreciation rights expense	0.48	1.70	0.83
Issue of Series A Compulsorily Convertible Preference shares of ₹ 10 each			
BTI Payments Singapore Pte Ltd	445.19	50.00	-
b) Balances with related parties			
Remuneration to KMP			
Mr. K Srinivas			
Salary payable	2.74	2.73	2.22
Provision for stock appreciation rights	25.43	23.06	14.56
Mr. Sanjay Bajaj			
Salary payable	1.11	1.02	0.83
Provision for stock appreciation rights	5.09	4.61	2.91

* Post-employment benefits comprising compensated absences and gratuity and other benefits are not disclosed as these are determined for the Company as a whole.

38 Capital management

The Company's objectives when managing capital are to:
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents, other bank balances and cash dispensed recoverable.

Debt Equity ratio

Particulars	31 March 2021	31 March 2020	31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
Non-current borrowings	598.12	368.17	579.15
Current maturities of long-term borrowings	103.99	145.20	186.28
Current borrowings	8,444.84	4,212.31	4,133.88
Less: Cash and cash equivalents	(8,594.51)	(4,816.93)	(3,069.06)
Less : Bank balances other than cash and cash equivalents	(638.77)	(376.09)	(397.10)
Less : Cash dispensed recoverable**	(857.50)	(247.34)	(1,244.88)
Net debt	**(943.83)**	**(714.68)**	**188.27**
Adjusted net debt (i)*	**-**	**-**	**188.27**
Total equity (ii)	1,963.16	1,485.50	495.63
Gearing ratio (i)/(ii)	**0.00%**	**0.00%**	**37.99%**

* The balance of cash and cash equivalents, other bank balances and cash dispensed recoverable is adjusted to the extent of borrowings extending as at the reporting date.
** This is included only for the purpose of the Company's capital management and does not form part of cash and cash equivalents.
(i) Equity includes all capital and reserves of the Company that are managed as capital
(ii) Debt is defined as long term , short term borrowings and current maturities of long-term borrowings

In order to achieve this overall objective, the Company'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 borrowing in any of the periods presented.

No changes were made in the objectives, policies or processes for managing capital during the each of the reporting periods ended 31 March 2021, 31 March 2020 and 31 March 2019

39 Leases

The Company's significant leasing arrangements are in respect of leases for ATMs, land leases and office premises. The ATMs have been taken on lease for a term of 5 years with no escalation clause. Land leases are in respect of premises for setting up ATMs. These premises are generally rented on lease term ranging from 11 months to 5 years with no lock-in period and with escalation clause. Such leases are cancellable only at the option of the lessee and are renewable on mutual consent at agreed terms. Leases for office premises have a lease term ranging from 11 months to 10 years with escalation clause. There are no subleases.

Following are the changes in the carrying value of right of use assets:

Particulars	31 March 2021	31 March 2020	31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
Net block at the beginning of the reporting period	1,012.51	819.20	1,029.60
Additions during the reporting period (net of disposals/renewals)	743.63	544.02	109.31
Depreciation for the reporting period	(424.31)	(350.71)	(319.71)
Net block at the end of the reporting period	**1,331.83**	**1,012.51**	**819.20**

The following is the movement in lease liabilities:

Particulars	31 March 2021	31 March 2020	31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
At the beginning of the reporting period	1,029.09	848.88	767.82
Additions during the year	757.09	537.33	384.90
Interest expense	118.85	82.91	90.36
Lease payments - Principal	(388.65)	(338.39)	(282.87)
Lease payments - Interest	(118.85)	(82.91)	(90.36)
Gain on modification of financial instrument	(1.51)	(18.73)	(20.97)
At the end of the reporting period	**1,396.02**	**1,029.09**	**848.88**
Current	435.14	384.99	360.79
Non-current	960.88	644.10	488.09

The maturity analysis of lease liabilities are disclosed below:

	31 March 2021	31 March 2020	31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
Not later than one year	456.56	403.57	371.18
Later than one year and not later than five year	1,234.42	818.63	581.43
Later than five years	0.05	8.15	22.58
Interest cost	(295.01)	(201.26)	(126.31)
Total	**1,396.01**	**1,029.09**	**848.87**

The following are the amounts recognised in profit & loss

	31 March 2021	31 March 2020	31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
Depreciation expense of right-of-use assets	424.31	350.71	319.71
Interest expense on lease liabilities	118.85	82.91	90.36
Gain on modification of financial instrument (net)	(2.82)	(2.53)	(2.30)
Expense relating to short term leases	1.71	6.36	10.95
Total amount recognised in profit or loss	**542.05**	**437.45**	**418.72**

40 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Current			
Floating charge			
Cash at ATM*	7,246.60	4,263.78	3,056.76
Other bank balances	638.77	376.09	397.10
Other current financial assets*	857.50	247.34	1,244.88
Total current assets pledged as securities	**8,742.87**	**4,887.21**	**4,698.74**
Non-current assets			
First charge			
Property, plant and equipment	885.53	709.37	890.19
Floating charge			
Other non-current financial assets	165.37	78.59	0.39
Total non-current assets pledged as securities	**1,050.90**	**787.96**	**890.58**
Total assets pledged as security	**9,793.77**	**5,675.17**	**5,589.32**

(*) Working capital loan is secured by pari-passu charge on cash at ATM and cash dispensed recoverable availed from banks and NBFC to the extent of working capital loans drawn. Refer Annexure VI note 38.

41 Disclosures required under Ind AS 115 (Revenue from contract with customers)

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the Restated Statement of Profit and Loss:

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Revenues by category and nature			
Sale of products	1.70	-	-
Sale of services	3,174.28	2,560.56	2,292.81
	3,175.98	**2,560.56**	**2,292.81**
Revenues based on timing of recognition			
Services transferred at a point in time	3,175.14	2,545.27	2,275.82
Services transferred over time	0.84	15.29	16.99
	3,175.98	**2,560.56**	**2,292.81**

Significant changes in contract assets and contract liabilities during the period are as follows:

Assets and liabilities related to contracts with customers

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Trade receivables	12.44	13.74	28.18

Trade receivables are non-interest bearing and are generally on terms of 60-90 days.

42 Employee stock appreciation rights

The Company has granted Nil : 31 March 2021, 748,097 : 31 March 2020 and 18,947 : 31 March 2019 Employee Stock Appreciation Rights (ESARs) to eligible employees and cancelled 31,554 : 31 March 2021, 9,150 : 31 March 2020 and 48,365 : 31 March 2019 ESARs due to separation or otherwise, under the employee performance & retention incentive scheme 2014 as approved by the Committee formed under the Plan vide Board Resolution dated 12 August 2014.

Following is the reconciliation of provision for ESAR outstanding -

	31 March 2021 Ind AS		31 March 2020 Proforma Ind AS	
Particulars	**Numbers**	**Amount**	**Numbers**	**Amount**
Opening balance as at the beginning of the year	1,915,135	46.14	1,181,946	27.66
ESARs granted during the year	-	-	748,097	-
ESARs cancelled during the year	(31,554)	(0.22)	(9,150)	-
Payment towards ESARs vested	-	-	(5,758)	-
Balance	1,883,581	45.92	1,915,135	27.66
Accrual for the year at previous year FMV		2.54		10.20
Impact of increase in FMV of equity shares		2.66		8.28
Closing balance as at the end of the year	**1,883,581**	**51.12**	**1,915,135**	**46.14**

	31 March 2019 Proforma Ind AS	
Particulars	**Numbers**	**Amount**
Opening balance as at the beginning of the year	1,211,364	19.77
ESARs granted during the year	18,947	-
ESARs cancelled during the year	(48,365)	-
Payment towards ESARs vested	-	-
Balance	1,181,946	19.77
Accrual for the year at previous year FMV		7.89
Impact of increase in FMV of equity shares		-
Closing balance as at the end of the year	**1,181,946**	**27.66**

Vesting of ESARs is subject to continued employment with the Company. The ESARs shall be cash settled based on the excess of fair market value (FMV) of equity share of the Company as on the date of vesting over the SAR price (i.e. the base price defined on the grant date of SAR) specified in the Scheme. The FMV is determined by the Committee based on the discounted cash flow valuation and other relevant factors. As at 31 March 2021, excess of FMV over SAR price specified in the employee performance & retention incentive scheme 2014 is INR 51.12 million, 31 March 2020 : 46.14 million and 31 March 2019 : 27.66 million) and accordingly an expense of INR 4.98 million, 31 March 2020 : 20 million and 31 March 2019 : 7.89 million has been recorded in the restated statement of profit and loss.

43 Contingencies and commitments

The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on 28 February 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Company has made provision for provident fund contribution from the date of order. The Company will evaluate its position and update provision, if required, after receiving further clarity in this regard.

	31 March 2021	31 March 2020	31 March 2019
	Ind AS	Proforma Ind AS	Proforma Ind AS
Capital commitments (net of capital advances)	724.59	478.94	243.21

Reserve Bank of India had issued a show cause notice vide its letter reference DPSS.CO.OD.No. 718 /06.07.011/2020-21 dated 25th November 2020 asking for explanation for a)contravention of deployment guideline of 9,000 ATMs within a period of 3 years from the date of starting of operations and b) not maintaining the prescribed net-worth of Rs 100 Crores between 31 Mar 2018 and 21 Aug 2019. The company had responded to the aforesaid notice on 4th December 2020 giving required explanation and with a request to RBI to take a lenient view on this matter. No further development has happened on this matter and company is hopeful of RBI setting aside the show cause notice without levying any penalty.

44 Estimation of uncertainties relating to the global health pandemic from COVID-19

Pursuant to relaxations by granted by the Ministry of Home Affairs ('MHA'), the business of the Company was classified as essential services and the Company continued to work in accordance with the extant guidelines issued by the MHA and respective state governments and the affect of economic disruption was minimal to the Company's business.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, and other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal sources of information including economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statement.

45 Initial Public Offering (IPO)

The Company has proposed raising of capital through an Initial Public Offering (IPO). As part of the proposed IPO, the Company plans to file Draft Red Hearing Prospectus (DRHP) with the Securities Exchange Board of India (SEBI) in the coming period.

46 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2021 and the date of authorization of latest audited financial statements under IGAAP.

47 First time adoption of Ind AS

The accounting policies set out in Annexure IV have been applied in preparing the financial statements for the year ended 31 March 2021, the comparative information presented in these financial statements for the year ended 31 March 2020 and 31 March 2019 using the transition date of 01 April 2020 and applying the same accounting policy changes to year ended 31 March 2020 and 31 March 2019.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

The basis of preparation of these Restated Financial Information is set out in Note 2.1 (a) of Annexure VI

A Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

Ind-AS 101, 'First-time Adoption of Indian Accounting Standards', allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS. The Company has accordingly applied the following exemptions.

A.1.1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 'First-time Adoption of Indian Accounting Standards' permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, 'Intangible Assets' respectively. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.2 Leases

Following are the optional exemptions provided in the standard which have been applied in transition to Ind-AS 116:

- Application of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Excluding initial direct costs from the measurement of ROU assets at the date of initial application.
- Use of hindsight, such as determining the lease term if the contract contains options to extend or terminate the lease.
- Application of Ind AS 116 only to contracts that were previously identified as leases under the previous GAAP.
- Not separating non-lease components from lease-components and instead accounted for each lease component and any associated non-lease components as a single lease component.

A.2 Ind AS mandatory exemptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS's at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

A.2.2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109, 'Financial Instruments' are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:
a) The effects of the retrospective application or retrospective restatement are not determinable;
b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 101, 'First-time Adoption of Indian Accounting Standards' requires a first-time adopter to apply the de-recognition provisions of Ind AS 109,'Financial Instruments' prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101, 'First-time Adoption of Indian Accounting Standards' allows a first-time adopter to apply the de-recognition requirements in Ind AS 109,'Financial Instruments' retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109,'Financial Instruments' to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109,'Financial Instruments' prospectively from the date of transition to Ind AS.

B Reconciliations between previous GAAP and Ind AS

Ind AS 101, 'First-time Adoption of Indian Accounting Standards' requires an entity to reconcile equity, total comprehensive income and cash flows for prior years/periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

B Reconciliations between previous GAAP and Ind AS (cont'd)
a) Reconciliation of Balance Sheet as at 31 March 2021

		As at 31 March 2021			
Particulars	**Anneure VI - Notes to first time adoption**	**IGAAP***	**Adjustments**	**Ind AS adjustments**	**Ind AS**
ASSETS					
Non-current assets					
Property, plant and equipment		2,400.38	-	-	2,400.38
Right-to-use	1,2	-	-	1,331.83	1,331.83
Other intangible assets		10.93	-	-	10.93
Financial assets					
Loans	2	196.39	-	(115.51)	80.88
Other financial assets		165.37	-	-	165.37
Deferred tax assets (net)	6	149.67	(14.27)	18.91	154.31
Non-current tax assets (net)		7.50	-	-	7.50
Other non-current assets		0.20	-	-	0.20
		2,930.44	**(14.27)**	**1,235.23**	**4,151.40**
Current Assets					
Inventories		2.65	-	-	2.65
Financial assets					
Trade receivables	4	12.53	-	(0.09)	12.44
Cash and cash equivalents	9, 10(c)	8,547.95	46.32	0.24	8,594.51
Bank balances other than cash and cash equivalents	9	627.02	-	11.75	638.77
Loans	2	-	-	89.30	89.30
Other financial assets	9	875.86	-	(11.99)	863.87
Other current assets	3	177.09	-	(39.58)	137.51
		10,243.10	**46.32**	**49.63**	**10,339.05**
Total Assets		**13,173.54**	**32.05**	**1,284.86**	**14,490.45**
EQUITY AND LIABILITIES					
Equity					
Share capital		92.49	-	-	92.49
Instruments entirely equity in nature and present separately		49.38	-	-	49.38
Other equity	6	1,891.79	(14.27)	(56.23)	1,821.29
Total Equity		**2,033.66**	**(14.27)**	**(56.23)**	**1,963.16**
Non Current Liabilities					
Financial liabilities					
Borrowings	3	613.17	-	(15.05)	598.12
Other financial liabilities	3, 10(b)	1,242.12	4.18	263.25	1,509.55
Provisions	10(a)	85.42	(12.08)	-	73.34
Other non-current liabilities	3	3.98	-	596.87	600.85
		1,944.69	**(7.90)**	**845.07**	**2,781.86**
Current liabilities					
Financial liabilities					
Borrowings	8, 10(c)	8,391.30	46.32	7.22	8,444.84
Trade payables					
(A) total outstanding dues of micro enterprises and small enterprises		15.15	-	-	15.15
(B) total outstanding dues of creditors other than (A) above	8	345.49	-	(7.22)	338.27
Other financial liabilities	3, 10(b)	417.91	(4.18)	429.31	843.04
Other current liabilities	3	18.36	-	66.71	85.07
Provisions	10(a)	6.98	12.08	-	19.06
		9,195.19	**54.22**	**496.02**	**9,745.43**
Total Equity and Liabilities		**13,173.54**	**32.05**	**1,284.86**	**14,490.45**

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

B Reconciliations between previous GAAP and Ind AS (cont'd)

b) Reconciliation of Balance Sheet as at 31 March 2020

Particulars	Anneure VI - Notes to first time adoption	As at 31 March 2020 IGAAP*	Adjustments	Ind AS adjustments	Ind AS
ASSETS					
Non-current assets					
Property, plant and equipment		1,701.35	-	-	1,701.35
Right-to-use	1,2	21.25	-	991.26	1,012.51
Other intangible assets		9.01	-	-	9.01
Financial assets					
Loans	2	184.34	-	(46.38)	137.96
Other financial assets		78.59	-	-	78.59
Deferred tax assets (net)	6	125.94	-	16.26	142.20
Non-current tax assets (net)		13.46	-	-	13.46
Other non-current assets		0.27	-	-	0.27
		2,134.21	**-**	**961.14**	**3,095.35**
Current Assets					
Financial assets					
Trade receivables	4	14.70	-	(0.96)	13.74
Cash and cash equivalents	9	4,816.67	-	0.26	4,816.93
Bank balances other than cash and cash equivalents	9	361.85	-	14.24	376.09
Loans	2	-	-	12.86	12.86
Other financial assets	9	268.06	-	(14.50)	253.56
Other current assets	3	140.17	-	(23.38)	116.79
		5,601.45	**-**	**(11.48)**	**5,589.97**
Total Assets		**7,735.66**	**-**	**949.66**	**8,685.32**
EQUITY AND LIABILITIES					
Equity					
Share capital		92.49	-	-	92.49
Instruments entirely equity in nature and present separately		38.39	-	-	38.39
Other equity	d)	1,400.89	-	(46.27)	1,354.62
Total Equity		**1,531.77**	**-**	**(46.27)**	**1,485.50**
Non Current Liabilities					
Financial liabilities					
Borrowings	3	369.30	-	(1.13)	368.17
Other financial liabilities	3, 10(b)	734.44	1.30	229.49	965.23
Provisions	10(a)	77.67	(11.12)	-	66.55
Other non-current liabilities	3	13.26	-	344.14	357.40
		1,194.67	**(9.82)**	**572.50**	**1,757.35**
Current liabilities					
Financial liabilities					
Borrowings	8	4,209.05	-	3.26	4,212.31
Trade payables					
(A) total outstanding dues of micro enterprises and small enterprises		5.67	-	-	5.67
(B) total outstanding dues of creditors other than (A) above	8	314.36	-	(3.26)	311.10
Other financial liabilities	3, 10(b)	458.66	(1.30)	383.74	841.10
Other current liabilities	3	19.34	-	39.69	59.03
Provisions	10(a)	2.14	11.12	-	13.26
		5,009.22	**9.82**	**423.43**	**5,442.47**
Total Equity and Liabilities		**7,735.66**	**-**	**949.66**	**8,685.32**

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

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

B Reconciliations between previous GAAP and Ind AS (cont'd)

c) Reconciliation of Balance Sheet as at 31 March 2019

Particulars	Anneure VI - Notes to first time adoption	As at 31 March 2019			
		IGAAP*	Adjustments	Ind AS adjustments	Ind AS
ASSETS					
Non-current assets					
Property, plant and equipment		1,246.13	-	-	1,246.13
Right-to-use	1,2	27.96	-	791.24	819.20
Capital work-in-progress		1.42	-	-	1.42
Other intangible assets		10.31	-	-	10.31
Financial assets					-
Loans	2	190.69	-	(49.79)	140.90
Other financial assets		0.39	-	-	0.39
Deferred tax assets (net)	6	94.41	-	19.89	114.30
Non-current tax assets (net)		23.25	-	-	23.25
Other non-current assets		0.86	-	-	0.86
		1,595.42	**-**	**761.34**	**2,356.76**
Current Assets					
Financial assets					
Investments		30.00	-	0.52	30.52
Trade receivables	4	31.71	-	(3.53)	28.18
Cash and cash equivalents		3,069.06	-	-	3,069.06
Bank balances other than cash and cash equivalents	9	381.82	-	15.28	397.10
Loans	2	-	-	9.48	9.48
Other financial assets	9	1,276.69	-	(15.28)	1,261.41
Other current assets	3	96.03	-	(18.75)	77.28
		4,885.31	**-**	**(12.28)**	**4,873.03**
Total Assets		**6,480.73**	**-**	**749.06**	**7,229.79**
EQUITY AND LIABILITIES					
Equity					
Share capital		92.49	-	-	92.49
Instruments entirely equity in nature and present separately		12.46	-	-	12.46
Other equity	d)	447.28	-	(56.60)	390.68
Total Equity		**552.23**	**-**	**(56.60)**	**495.63**
Non Current Liabilities					
Financial liabilities					
Borrowings	3, 8	581.50	-	(2.35)	579.15
Other financial liabilities	3	406.23	-	253.55	659.78
Provisions	10(a)	52.72	(4.72)	-	48.00
Deferred tax liabilities (net)			-	-	-
Other non-current liabilities	3	24.66	-	179.82	204.48
		1,065.11	**(4.72)**	**431.02**	**1,491.41**
Current liabilities					
Financial liabilities					
Borrowings	8	4,132.84	-	1.04	4,133.88
Trade payables					
(A) total outstanding dues of micro enterprises and small enterprises	8	7.23	-	-	7.23
(B) total outstanding dues of creditors other than (A) above		335.21	-	(1.22)	333.99
Other financial liabilities	3	373.05	-	352.12	725.17
Other current liabilities	3	13.32	-	22.70	36.02
Provisions	10(a)	1.74	4.72	-	6.46
		4,863.39	**4.72**	**374.64**	**5,242.75**
Total Equity and Liabilities		**6,480.73**	**-**	**749.06**	**7,229.79**

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

Annexure VI
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Restated Financial Information (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

B Reconciliations between previous GAAP and Ind AS (cont'd)

a) Reconciliation of Statement of Profit and Loss for the year ended 31 March 2021 as previously reported under IGAAP and Ind AS :

Particulars	Anneure VI - Notes to first time adoption	IGAAP	Adjustments	Ind AS adjustments	Ind AS
Revenue					
Revenue from operations		3,175.98	-	-	3,175.98
Other income	2	75.38	-	19.22	94.60
		3,251.36	**-**	**19.22**	**3,270.58**
Expenses					
Operating expenses	1	1,683.41	-	(540.40)	1,143.01
Purchases of stock-in-trade		4.73	-	-	4.73
Changes in inventories of stock-in-trade		(2.65)	-	-	(2.65)
Employee benefits expense	5	319.55	-	(1.22)	318.33
Finance costs	3, 10(d)	411.58	23.83	152.55	587.96
Depreciation and amortisation expense	1,2	421.37	-	424.31	845.68
Other expenses	1,10(d)	380.40	(23.83)	(4.63)	351.94
Total Expenses		**3,218.39**	**-**	**30.61**	**3,249.00**
Profit before tax		**32.97**	**-**	**(11.39)**	**21.58**
Tax expense					
- current tax		-			-
- Deferred tax credit	6	(23.72)	14.27	(2.35)	(11.80)
Profit after tax		**56.69**	**(14.27)**	**(9.04)**	**33.38**
Other comprehensive income/(loss)					
(a) Items that will not be reclassified to profit or loss					
(i) Re-measurement of gains/(losses) on defined benefit plans	5	-	-	(1.22)	(1.22)
(ii) Income tax relating to items that will not be reclassified to profit or loss	6	-	-	0.31	0.31
Total comprehensive income for the year		**56.69**	**(14.27)**	**(9.95)**	**32.47**

b) Reconciliation of Statement of Profit and Loss for the year ended 31 March 2020 as previously reported under IGAAP and Ind AS :

Particulars	Anneure VI - Notes to first time adoption	IGAAP	Adjustments	Ind AS adjustments	Ind AS
Revenue					
Revenue from operations		2,560.56	-	-	2,560.56
Other income	2	80.88	-	20.02	100.90
		2,641.44	**-**	**20.02**	**2,661.46**
Expenses					
Operating expenses	1	1,349.74	-	(436.08)	913.66
Purchases of stock-in-trade		-	-	-	-
Changes in inventories of stock-in-trade		-	-	-	-
Employee benefits expense	5	303.62	-	(1.96)	301.66
Finance costs	3, 10(d)	362.58	14.64	104.86	482.08
Depreciation and amortisation expense	1,2	373.17	-	344.30	717.47
Other expenses	1,10(d)	354.29	(14.64)	(7.01)	332.64
		2,743.40	**-**	**4.11**	**2,747.51**
Profit before tax		**(101.96)**	**-**	**15.91**	**(86.05)**
Tax expense					
- Current tax		-	-	-	-
- Deferred tax credit	6	(31.52)	-	4.13	(27.39)
Profit after tax		**(70.44)**	**-**	**11.78**	**(58.66)**
Other comprehensive income/(loss)					
(a) Items that will not be reclassified to profit or loss					
(i) Re-measurement of gains/(losses) on defined benefit plans	5	-	-	(1.96)	(1.96)
(ii) Income tax relating to items that will not be reclassified to profit or loss	6	-	-	0.51	0.51
Total comprehensive income for the year		**(70.44)**	**-**	**10.33**	**(60.11)**

B Reconciliations between previous GAAP and Ind AS (cont'd)

c) Reconciliation of Statement of Profit and Loss for the year ended 31 March 2019 as previously reported under IGAAP and Ind AS :

Particulars	Anneure VI - Notes to first time adoption	IGAAP	Adjustments	Ind AS adjustments	Ind AS
Revenue					
Revenue from operations	2	2,292.81	-	-	2,292.81
Other income		41.60	-	15.22	56.82
		2,334.41	**-**	**15.22**	**2,349.63**
Expenses					
Operating expenses	1	1,304.80	-	(385.33)	919.47
Purchases of stock-in-trade		-	-	-	-
Changes in inventories of stock-in-trade		-	-	-	-
Employee benefits expense	5	252.49	-	(2.48)	250.01
Finance costs	3, 10(d)	406.57	17.71	101.36	525.64
Depreciation and amortisation expense	1,2	332.23	-	314.29	646.52
Other expenses	1,10(d)	324.61	(17.71)	(6.13)	300.77
		2,620.70	**-**	**21.71**	**2,642.41**
Profit before tax		**(286.29)**	**-**	**(6.49)**	**(292.78)**
Tax expense					
- current tax		-	-		-
- Deferred tax credit	6	(49.26)	-	(1.68)	(50.94)
Profit after tax		**(237.03)**	**-**	**(4.81)**	**(241.84)**
Other comprehensive income/(loss)					
(a) Items that will not be reclassified to profit or loss					
(i) Re-measurement of gains/(losses) on defined benefit plans	5	-	-	(2.49)	(2.49)
(ii) Income tax relating to items that will not be reclassified to profit or loss	6	-	-	0.65	0.65
Total comprehensive income for the year		**(237.03)**	**-**	**(6.65)**	**(243.68)**

d) Reconciliation of total equity as at 31 March 2021, 31 March 2020, 31 March 2019 and 01 April 2018

Particulars	Anneure VI - Notes to first time adoption	31 March 2021	31 March 2020	31 March 2019	1 April 2018
Total equity (shareholder's funds) as per previous GAAP		2,033.66	1,531.77	552.23	789.24
Impact of deferred tax rate	6	(14.27)	-	-	-
Total equity (shareholder's funds)		**2,019.39**	**1,531.77**	**552.23**	**789.24**
Adjustments					
Lease accounting as per Ind AS 116 (including measurement of security deposit at amortised cost)	1,2	(104.86)	(77.96)	(79.85)	(61.31)
Measurement of financial liabilities at amortised cost	3	29.80	16.40	6.38	1.87
Expected credit losses on financial assets	4	(0.09)	(0.96)	(3.53)	(8.06)
Deferred tax impact on above adjustments	6	18.91	16.26	20.02	17.55
Total adjustments		**(56.24)**	**(46.26)**	**(56.98)**	**(49.95)**
Total equity as per Ind AS		**1,963.15**	**1,485.51**	**495.25**	**739.29**

B Reconciliations between previous GAAP and Ind AS (cont'd)

d) Reconciliation of statement of cash flows for the year ended 31 March 2021

Particulars	Anneure VI - Notes to first time adoption	As per Previous GAAP	Ind AS adjustments	Amount as per Ind AS
Net cash generated from/(used in) operating activities	1, 2, 3, 10(d)	718.87	539.22	1,258.09
Net cash generated from/(used in) investing activities	2	(1,410.73)	5.72	(1,405.01)
Net cash generated from/(used in) financing activities	1, 3, 7, 10(d)	4,423.15	(937.51)	3,485.64
Net increase/(decrease) in cash and cash equivalents		**3,731.29**	**(392.57)**	**3,338.72**
Cash and cash equivalents at the beginning of the year	10(c) ,7	4,816.67	(1,508.79)	3,307.88
Cash and cash equivalents at the end of the year		**8,547.96**	**(1,901.36)**	**6,646.60**

d) Reconciliation of statement of cash flows for the year ended 31 March 2020

Particulars	Anneure VI - Notes to first time adoption	As per Previous GAAP	Ind AS adjustments	Amount as per Ind AS
Net cash generated from/(used in) operating activities	1, 2, 3, 10(d)	1,939.44	430.48	2,369.92
Net cash generated from/(used in) investing activities	2	(701.27)	1.54	(699.73)
Net cash generated from/(used in) financing activities	1, 3, 7, 10(d)	509.44	1,392.03	1,901.47
Net increase in cash and cash equivalents		**1,747.61**	**1,824.05**	**3,571.66**
Cash and cash equivalents at the beginning of the year	7	3,069.07	(3,332.85)	(263.78)
Cash and cash equivalents at the end of the year		**4,816.68**	**(1,508.80)**	**3,307.88**

d) Reconciliation of statement of cash flows for the year ended 31 March 2019

Particulars	Anneure VI - Notes to first time adoption	As per Previous GAAP	Ind AS adjustments	Amount as per Ind AS
Net cash generated from/(used in) operating activities	1, 2, 3, 10(d)	(102.98)	388.80	285.82
Net cash generated from/(used in) investing activities	2	(352.10)	6.52	(345.58)
Net cash generated from/(used in) financing activities	1, 3, 7, 10(d)	(374.42)	417.41	42.99
Net increase/(decrease) in cash and cash equivalents		**(829.50)**	**812.73**	**(16.77)**
Cash and cash equivalents at the beginning of the year	7	3,898.57	(4,145.58)	(247.01)
Cash and cash equivalents at the end of the year		**3,069.07**	**(3,332.85)**	**(263.78)**

47 First-time adoption of Ind AS (cont'd)

C Notes to first time adoption

1 Leases

As per Ind AS 116, the Company has elected to apply modified retrospective approach and record the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right-to-use (ROU) asset is carried at an amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application. Subsequently, the Company shall measure the ROU at cost less accumulated depreciation and any accumulated impairment losses. The lease liability shall be measured at amortized cost by increasing the carrying amount of liability to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. Also, the movement in lease liabilities shall be recorded under financing activities in the restated statement of cash flows. The cash payments for lease rentals which were earlier considered as operational cash outflow has now been considered as part of financing activities. The short term lease payments earlier considered as operating expenses are reclassified as other expenses.

2 Measurement of financial assets at amortised cost

Under the Previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised initially at fair value. Accordingly, the Company shall recognise these security deposits at fair value and subsequently measure them at amortised cost wherein interest accrued on carrying value of such assets using effective interest method is recognised as "finance income". Difference between the fair value and transaction value of the security deposit as at the inception of the contract shall be treated as right-to-use (ROU) asset and amortised over the term of the related contract.
The cash inflow from interest income has been considered as investing activity.

3 Measurement of financial liabilities at amortised cost

Under Previous GAAP, all financial liabilities were carried at cost. Under Ind AS, financial liabilities are required to be recognised initially at fair value and subsequently measured at amortised cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability.

4 Expected credit losses on financial assets

Under Previous GAAP, provision for doubtful debts was recognised based on the estimates of the outcome and of the financial effect of contingencies determined by the management of the Company. Under Ind AS, loss allowance is calculated based on expected credit losses for financial assets carried at amortised cost using a provision matrix derived based on based on company's historical counterparty default rates and forecast of macro-economic factors.

5 Defined benefit obligation

Under previous GAAP, actuarial gains and losses were recognized in the Statement of Profit and Loss, and interest cost was recognized under employee benefit expense. Under Ind AS, the actuarial gain and loss form part of remeasurement of net defined benefit liability/ asset which is recognised in other comprehensive income in the respective periods. Interest cost on defined benefit obligations is presented under finance cost in the Statement of Profit and Loss.

6 Deferred tax

Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS 12, Income tax, deferred taxes are recognized following the balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments can also lead to recognition of deferred taxes on new temporary differences. Also, the future tax rate for recognition of deferred tax asset was considered as 27.82% instead of applicable future tax rate for the year ended 31 March 2021 which resulted in higher deferred tax asset. The deferred tax asset has now been recognised with the correct rate.

7 Cash flow adjustments

The Bank overdrafts which were earlier considered as financing activity has now been considered as part of cash and cash equivalent as per Ind AS 7.

8 Fair valuation of borrowings

Borrowings are recognised at amortised cost and accordingly, the interest accrued on borrowings is considered as part of carrying value as at reporting date.

9 Fair valuation of bank deposits

Bank deposits are recognised at amortised cost and accordingly, interest accrued on such deposits are considered as part of carrying value as at reporting date.

10 Reclassification/regrouping adjustments

(a) The Compensated absences were earlier classified as both current and non-current. The same has been now classified as current only as the Company does not have right for deferment of such liability.

(b) Retention money payable was classified as current financial liability only. The same has now been classified as both current and non-current basis the maturity of liability.

(c) The Company had classified bank accounts with positive balance as at 31 March 2021 in current accounts with overdraft facility as borrowings which has now been classified as cash and cash equivalents.

(d) The loan processing charges which were earlier classified as bank charges under other expenses has now been classified under finance cost. Also the same has now been reclassified from cash flow from operating activities to cash flow from financing activities.

Annexure VII
India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Statement of Adjustments to Audited Financial Statements
(All amounts in ₹ millions, unless otherwise mentioned)

A Adjustments

1 Adjustments for Audit Qualifications: None

2 Other Material Adjustments:
Summarized below are the restatement adjustments made to the audited financial statements for the periods ended 31 March 2021, 2020 and 2019 and their impact on the profit / (loss) of the Company:

	31 March 2021 Ind AS	31 March 2020 Proforma Ind AS	31 March 2019 Proforma Ind AS
Net (Loss)/Profit as per IGAAP	56.69	(70.44)	(237.03)
Material Restatement Adjustments			
Aggregate impact of adjustments to comply with IndAS (Refer Annexure VI - Note 47C (6))	(14.27)	-	-
B Adjustments on account of implementation of Ind AS:			
Impact of adoption of Ind AS (Refer Annexure VI - Note 47C)	(9.04)	-	-
Impact on account of proforma Ind AS adjustments (Refer Annexure VI - Note 47C)	-	11.78	(4.81)
C Total impact of Adjustments (A+B)	(23.31)	11.78	(4.81)
D Net Profit as per Restated Statement of Profit and Loss	**33.38**	**(58.66)**	**(241.84)**

3 Material Regrouping
Appropriate re-groupings have been made in the Restated Statement of assets and liabilities, profit and loss and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Company for the year ended 31 March 2021 respectively prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N / N500013

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 03 September 2021

K Srinivas
Managing Director
DIN: 03533535

Place : Bengaluru
Date : 03 September 2021

David Scott Glen
Director
DIN: 02073436

Place : Bengaluru
Date : 03 September 2021

Sanjay Bajaj
Chief Financial Officer

Place : Bengaluru
Date : 03 September 2021

Mohit Nagar
Company Secretary
Membership No.: A27492

Place : Bengaluru
Date : 03 September 2021

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the reports thereon dated March 31, 2021, March 31, 2020 and March 31, 2019, respectively ("**Audited Financial Statements**") are available at www.india1payments.in. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus, (ii) the Red Herring Prospectus, or (iii) the Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Due caution is advised when accessing and placing reliance on any historic or other information available in the public domain. Neither the Company nor any of its advisors, nor any Book Running Lead Managers or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives, accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Item 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(in ₹ million, except ratio)

Particulars	As at and for the year ended 31 March 2021	As at and for the year ended 31 March 2020	As at and for the year ended 31 March 2019
Basic Earnings per share (₹)	1.80	(3.17)	(13.07)
Diluted Earnings per share (₹)	1.12	(3.17)	(13.07)
Return on Net Worth (%)	1.70%	(3.95%)	(48.79%)
Net Asset Value per Equity Share (₹)	106.13	80.31	26.79
EBITDA	1,455.21	1,113.50	879.37

Basic and diluted Earnings per share, Return on Net Worth, Net Asset Value per Equity Share and EBITDA

(in ₹ million, except ratio)

Particulars	As at and for the year ended 31 March 2021	As at and for the year ended 31 March 2020	As at and for the year ended 31 March 2019
Basic and diluted Earnings per share from continuing and discontinued operations			
Restated profit for the period/year from continuing operation after tax (A)	33.38	(58.66)	(241.84)
Restated profit for the period/year from discontinuing operations after tax (B)	-	-	-
Restated profit for the period/year from continuing and discontinuing operations after tax (C = A+B)	33.38	(58.66)	(241.84)
Weighted average number of equity shares outstanding during the period for calculating basic EPS (D) **	18,497,296	18,497,296	18,497,296
Weighted average number of equity shares outstanding during the period for calculating diluted EPS (E) **	29,834,944	18,497,296	18,497,296
Basic earnings per share (in Rs) (F = C/D)	1.80	(3.17)	(13.07)
Diluted earnings per share (in Rs) (G = C/E)	1.12	(3.17)	(13.07)
Return on Net Worth (continuing and discontinued operations)			
Net Worth (A)	1,963.16	1,485.50	495.63
Restated profit for the period/year from continuing operations after tax	33.38	(58.66)	(241.84)
Restated profit for the period/year from discontinuing operations after tax	-	-	-
Restated profit for the period/year from continuing and discontinuing operations after tax (B)	33.38	(58.66)	(241.84)
Return on Net Worth (C = B/A) (%)	1.70%	(3.95%)	(48.79%)

Particulars	As at and for the year ended 31 March 2021	As at and for the year ended 31 March 2020	As at and for the year ended 31 March 2019
Net Asset Value per Equity Share			
Net Worth (A)	1,963.16	1,485.50	495.63
Weighted average number of equity shares outstanding during the period (B)**	18,497,296	18,497,296	18,497,296
Net Asset Value per Equity Share (basic) (D = A/B) (in Rs)	106.13	80.31	26.79
EBITDA	1,455.21	1,113.50	879.37
EBITDA Margin (%)	44.49%	41.84%	37.43%

EBITDA Margin

(in ₹ million, except ratio)

Particulars	As at and for the year ended 31 March 2021	As at and for the year ended 31 March 2020	As at and for the year ended 31 March 2019
Profit for the year from continuing operations after tax (A)	33.38	(58.66)	(241.84)
Tax expense (B)	(11.80)	(27.39)	(50.94)
Profit before tax from continuing operations (C = A+B)	21.58	(86.05)	(292.78)
Adjustments:			
Add: Finance costs (D)	587.96	482.08	525.64
Add: Depreciation and amortisation expenses (E)	845.68	717.47	646.52
Earnings before interest, tax expense, depreciation and amortisation expenses (EBITDA) (F= C+D+E)	1,455.21	1,113.50	879.37
Total income (G)	3,270.58	2,661.46	2,349.63
EBITDA Margin (EBITDA as a percentage of Total income) (H=F/G)	44.49%	41.84%	37.43%

** The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each, pursuant to our Board and Shareholders' resolution passed on 13 August 2021 which resulted into increase in number of equity shares issued from 9,248,648 to 18,497,296. Similarly the impact on potential shares for conversion of CCPS has increased from 6,965,508 to 13,931,016. The record date for the aforementioned sub-division was 13 August 2021. The disclosure of weighted average number of equity shares outstanding during the period for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 has been arrived at after giving effect to the above sub-division

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' as at and for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019, and as reported in the Restated Financial Statements, see "***Financial Statements – Related parties***" on page 251.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2021, on the basis of the Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "***Risk Factors***", "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", on pages 23, 209 and 270, respectively.

(in ₹ million, except ratio)

Particulars	Pre-Offer as at March 31, 2021	As adjusted for the Offer
Borrowings:		
Non-current borrowings (including current maturities of long-term debt) (A)	702.11	[●]
Current borrowings* (B)	8,444.84	[●]
Total borrowings (C)	**9,146.95**	[●]
Equity:		
Equity share capital**	141.87	[●]
Other equity	1,821.29	[●]
Total equity (D)	**1,963.16**	[●]
Ratio: Non-current borrowings (including current maturities of long-term debt) (A) /Total equity (D)	0.36	[●]
Ratio: Total borrowings (C)/ Total equity (D)	4.66	[●]

**Current borrowings represents bank overdraft and working capital demand loan. As of the same period, our Company has cash and cash equivalents, bank balances (other than cash and cash equivalents) and cash dispensed recoverable aggregating to ₹ 10,090.78 million as of March 31, 2021.*
***Includes instruments entirely equity in nature*

1. *As per the Restated Financial Statements.*

2. *The corresponding post capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same have not been provided in the above statement.*

FINANCIAL INDEBTEDNESS

We avail loans in the ordinary course of business for meeting our working capital and operational requirements. We have obtained the necessary consents and issued the necessary intimations required under the relevant loan documentation for undertaking activities, such as, among others, change in the Board of Directors and change in the shareholding pattern, except that (i) consents from State Bank of India and Bank of Baroda in connection with the Offer have not been received by our Company, as on the date of this Draft Red Herring Prospectus, and (ii) while our Company has received consent from Kotak Mahindra Bank Limited in connection with the Offer, such consent is subject to receipt of similar no-objection from all other creditors and lenders.

Pursuant to the Articles of Association and applicable provisions of the Companies Act, 2013 and pursuant to the resolution dated September 4, 2021 passed by the Shareholders, the Board is entitled to borrow money, where the money to be borrowed together with the money already borrowed shall not, at any time, exceed ₹ 35,000 million.

The details of indebtedness of our Company as on June 30, 2021 is set forth below:

Particulars	Sanctioned amount as on June 30, 2021 *(₹ in million)*	Outstanding amount as on June 30, 2021 *(₹ in million)*
Fund based		
Secured		
Term loans	750.00	695.54
Working capital facilities	13,797.50	8,655.61
Unsecured	-	-
Total (A)	**14,547.50**	**9,351.15**
Non-fund based		
Secured		
Working capital facilities	2.50	2.50
Unsecured		
Total (B)	**2.50**	**2.50**
Total (A+B)	**14,550.00**	**9,353.65**

Principal terms of the borrowings availed by our Company

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us:

1. ***Interest:*** The interest rate applicable to our borrowing facilities is typically tied to the respective lender's lending rate prevailing at the time (linked to the marginal cost of funds based lending rate / long term lending reference rate amongst other benchmarks) and may vary for each facility. In terms of the term loan availed by us, the interest rate is tied to MCLR as specified by the lender. In terms of the cash credit facilities/working capital facilities availed by us, the interest rate is typically tied to MCLR or is fixed as on a particular date or is linked to external credit rating. The MCLR may vary from lender to lender.

2. ***Validity/Tenor:*** The tenor of the term loan availed by us is for 7 years and the tenor of working capital facilities ranges from 7 days to 12 months, with certain facilities that may be repayable on demand.

3. ***Security:*** For the term loan availed by us, the security includes an exclusive charge on the Company's fixed assets (designated ATM), with asset cover of 1.25 times the outstanding loan amount, and an exclusive charge on the cash in escrow / in designated account with the lender representing transaction fee received from the NPCI. In addition, the security includes a margin of 10% of the principal outstanding amount and 2 months' DSRA, in the form of lien marked fixed deposits. For the working capital facilities availed by us, security typically includes first ranking *pari passu* charge by way of hypothecation on the current assets of our Company (typically on cash and cash equivalents, cash in transit, cash stored in ATMs and receivables from NPCI in relation to the WLA business), both present and future, along with lien on fixed deposits in favour of the lenders. The nature of the securities described is indicative and there may be additional requirements for creation of security under various borrowing arrangements entered into by our Company.

4. ***Repayment:*** The term loan availed by us is repayable in equal monthly instalments. The working capital facilities availed by us are typically repayable on respective due dates and the overdraft facilities availed by us are typically repayable on demand.

5. ***Prepayment Penalty:*** Facilities availed by us typically have prepayment provisions which allow for prepayment of the outstanding loan amount, by serving a notice to the relevant lender or on receiving prior approval from the relevant lender, subject to such prepayment penalties as may be decided by the lender at the time of such prepayment, or as set out in the facility agreements, as the case may be. Some of the facilities availed by us carry a prepayment penalty, which is either 0.25% on the principal amount of the loan being prepaid, or 2.00% of the amount being prepaid or the outstanding amount, as applicable, or such other penalty as may be levied at the discretion of the lender or as may be mutually agreed between the Company and the lender. Certain facilities availed by us allow prepayment without any prepayment penalty, subject to such prepayment being made during a stipulated period or such prepayment being made out of the internal accruals/equity of our Company or out of our Company's own sources of funds.

6. ***Penal Interest***: The terms of the facilities availed by us prescribe penalties for delayed payment or default in the repayment obligations, delay in creation/perfection of the stipulated security, breach of sanction terms or certain other specified obligations, which typically range from 1.00% to 5.00% over and above the applicable interest rate, 1.00% to 2.00% on the sanctioned limits or the outstanding/overdue amounts, 5.00% on irregular portions, or are in the form of fixed amounts or may be mutually agreed between the Company and the lender.

7. ***Key Covenants:*** Several of the borrowing arrangements entered into by us with various lenders entail various restrictive covenants and conditions restricting certain corporate actions, and we are required to take the prior approval of, or provide prior intimation to, the respective lender before carrying out such actions, including for:

   (a) any change or modification in our ownership and/or control;

   (b) any change or modification in our capital structure;

   (c) any alteration in our constitutional documents;

   (d) any change in our management;

   (e) any change the in general nature or scope of our business or undertaking of any new project or expansion;

   (f) entering into any scheme of amalgamation or reconstruction; and

   (g) any change in shareholding of the promoters.

   Please note that the above mentioned list is indicative and there may be additional restrictive or financial covenants (such as minimum net worth requirement, total long term debt / tangible net worth, etc.) and conditions where we may be required to take prior written consent or intimate the respective lender under the various borrowing arrangements entered into by us.

8. ***Events of Default:*** In terms of borrowing arrangements for the facilities availed by us, the occurrence of any of the following events, among others, constitute an event of default:

   i. non-payment or defaults of any amount including the principal, interest or other charges;

   ii. breach of any provisions or failure to fulfil any obligations under the facility documents;

   iii. cross default;

   iv. change in control or shareholding without prior consent of the lender;

   v. substantial part of the assets being nationalised, expropriated or compulsorily acquired by the authority of the government;

   vi. use of facilities for a purpose other than for which they were sanctioned;

vii. any representation or undertaking made by our Company being proven incorrect or misleading in any material respect as at the time it was made;

viii. occurrence of a material adverse change or upon happening of any circumstance which would or may prejudicially or adversely affect in any manner our capacity to repay the loan;

ix. our Company ceasing or threatening to cease to carry on its business or change in the nature of Company's business; and

x. any notice or action in relation to actual or threatened proceedings relating to bankruptcy, liquidation or insolvency.

Please note that the abovementioned list is indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

9. ***Consequences of Occurrence of Events of Default:*** In terms of the borrowing arrangements entered into by us with various lenders, for the facilities availed by us, upon the occurrence of events of default, the concerned lenders may:

(a) suspend or cancel any of the obligations for any advance under the facility documentation;

(b) enforce security provided by us;

(c) require us to obtain their prior written consent to declare or pay any dividend to the shareholders if there is any default in servicing the lender's dues;

(d) accelerate payment of all or part of the facility or declare payment of all or part of the unpaid balance of the facility;

(e) carry out technical, legal and/or financial inspection of our business, facilities and books of account with the assistance of our representative at our cost; and

(f) charge penal interest on the outstanding amounts.

Please note that the abovementioned list is indicative and there may be additional consequences of occurrence of events of default under the various borrowing arrangements entered into by us.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements on page 209 of this Draft Red Herring Prospectus, which have been prepared in accordance with Ind AS, notified under the Companies (India Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated or the context requires otherwise, the financial information for Fiscals 2021, 2020 and 2019 included herein have been derived from our restated balance sheets as at March 31, 2021, March 31, 2020 and March 31, 2019 and restated statements of profit and loss, cash flows and changes in equity for the fiscal years ended March 31, 2021, March 31, 2020 and March 31, 2019 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the twelve months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information for Fiscal 2019, Fiscal 2020 and Fiscal 2021 is derived from our Restated Financial Statements.

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on page 16 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and also the section titled "Business" and "Risk Factors" on pages 153 and 23, respectively, of this Draft Red Herring Prospectus for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to India1 Payments Limited.

Overview

We are the largest independent non-bank ATM operator (referred to as a white label ATM operator or WLAO) in India, based on the number of ATM transactions in Fiscal 2021 and installed base as of March 31, 2021. (Source: CRISIL Report, September 2021). As of June 30, 2021, we operated a network of 8,520 ATMs across 14 states and union territories in India, which we brand as "*india1ATM*". White label ATM operators operate under license by the RBI under the Payment & Settlement Systems Act, 2007, and we have been an authorised white label ATM operator since February 12, 2014. In Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, the gross transaction value ("GTV") of cash transactions from our ATMs were ₹270,787.74 million, ₹310,064.55 million, ₹439,745.20 million and ₹136,392.41 million, respectively, and processed 180.45 million, 205.25 million, 257.55 million and 71.82 million transactions, respectively. Our ATM business is focused on semi urban regions (population between 10,000 and 100,000) and rural regions (population under 10,000) in India (together the "SURU regions"), where 7,619 ATMs (89.42% of our ATMs) were located as of June 30, 2021. According to CRISIL Research, our Company was the second largest operator of ATMs in terms of the number of ATMs deployed in the SURU regions as of June 30, 2021. (Source: CRISIL Report, September 2021).

Our customers are savings and current account holders with a valid debit card of one of the over 100 banks that are members of the National Financial Switch ("NFS") operated by the National Payments Corporation of India ("NPCI"). A transaction carried out at an ATM of the card issuing bank is called an "on-us" transaction. A transaction carried out at any other ATM including at one of our ATMs is called an "off-us" transaction. By using an *india1ATM*, our customers can perform different financial transactions such as cash withdrawals, card to card transfers as well as changes to their PINs and requests for account balances, mini-statements and cheque books. Customers accessing ATMs outside their bank's own ATM network receive an RBI mandated minimum of three free "off-us" ATM transactions per month (if located in Bengaluru, Chennai, Hyderabad, Kolkata, Mumbai, and New Delhi) and five free "off-us" ATM transactions per month in other locations. (Basic Savings Bank Deposit Account or BSBDA accounts may have different norms for free transactions).

We generate revenue on a per-transaction basis from an interchange fee paid by the customers' banks for processing the ATM transactions rather than the customer itself. The RBI sets the interchange fees, which are currently as follows:

- ₹17 for financial transactions (₹15 until July 31, 2021) and
- ₹6 for non-financial transactions (₹5 until July 31, 2021).

The transactions between our customer's bank and our ATMs are processed through NPCI gateways using the NFS. Accordingly, our Company does not need approvals or arrangements with individual banks for their customers to transact on our ATMs. Instead, the NPCI manages the payment gateways among the banks and ATM operators and settles the cash dispensed and transaction based interchange fees (plus GST) four times daily (twice daily before July 5, 2021).

To increase our customer engagement, we developed an online loyalty program which offers cash back and redemption prizes to encourage greater transaction volumes from our customers. We launched the loyalty program in November 2020. As of June 30, 2021, we had 379,498 customers registered in the program, and we reached 500,000 registered loyalty customers on August 1, 2021. We have recently added personal loans to our loyalty program in association with an aggregator wherein we capture the leads and pass it on to the aggregator. We are currently looking to expand this loyalty program to become a digital platform to offer lending, insurance and other financial products which would be enabled through a smartphone app. In addition, we further have expanded our product and services offering through the roll out of micro-ATMs, with 1,161 active units deployed in 6 Indian states as of August 15, 2021.

Sourcing cash for our ATMs and replenishing the cash in our machines is vital to our business. In accordance with the RBI's circular, dated March 7, 2019, we have also been able to source cash for our ATMs directly from RBI (Issue Offices) and currency chests across India. This has resulted in higher availability of cash in all denominations and a reduction in operational costs for our Company. In the three months ended June 30, 2021, Fiscal 2021 and Fiscal 2020, 45.23%, 42.62% and 22.15%, respectively, of the cash required for our ATMs was sourced from RBI (Issue Offices) and currency chests. Our remaining cash requirements were sourced from scheduled banks.

We have developed an operational model that aims to maximize customer availability of our ATMs and to yield a better local customer experience. An important part of our model has been to franchise some of our ATMs, primarily to local entrepreneurs in the SURU regions. We leverage the local knowledge and experience of our franchisees to guide our site selection and our ATM services so as to better serve the particular local needs of our customers. Through our franchisees, we are able to deploy our ATMs in towns and villages where cash management infrastructure is limited and where we may enjoy less competition. In addition, we utilize our franchisees close proximity to local ATMs to provide for more efficient cash replenishment and front-line maintenance and encourage our franchisee's support in resolution of local environment issues that ensure smooth functioning of the location. Further, we also employ monitoring software that provides us early warning of events that may lead to downtime. We also have business intelligence tool that allows us to drive customer analytics.

During the six months ended June 30, 2021, we processed an average of 24 million transactions per month on our ATM network. We reached the milestone of operating 9,000 ATMs in August 2021. The following graphs show our growth in ATMs deployed, our GTV, our total transactions and revenue per ATM per month in Fiscal 2019, Fiscal 2020, Fiscal 2021 and three months ended June 30, 2021.

Principal Factors Affecting our Results of Operations

Our financial performance and results of operations are influenced by a variety of factors, including the number of ATMs we have deployed, the geographic coverage of our ATM network, our ability to attract customers to our ATMs and increase the number of transactions conducted at our ATMs, the availability of currency and other resources necessary to maintain and keep our ATMs running and available for customers (such as electricity and internet connectivity), our working capital and working capital cycle (including available sources of working capital and variations in interest rates and the timing and frequency of the settlement of transactions handled by our ATMs), the availability of franchise operators and other third-party service providers, our other operating costs and changes in government regulations and policies. Some of the more important factors are discussed below, as well as in the section "*Risk Factors*" beginning on page 23 of this Draft Red Herring Prospectus.

Size of our Deployed ATM Base

Our ATMs generate revenue on a per-transaction basis from an interchange fee paid by the customers' banks for processing ATM transactions rather than the customer itself. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our revenue from operations from our white label ATMs, which mainly comprise the interchange fees we earn on each transaction, constituted 96.31%, 92.68% and 89.63% of our total income, respectively. The growth of our revenues has been directly correlated to the growth of our deployed ATM base and the increase in the volume of transactions that our ATMs have processed. The following table sets forth the number of ATMs deployed by us as of June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019:

	As of June 30, 2021	As of March 31, 2021	As of March 31, 2020	As of March 31, 2019
Number of ATMs deployed	8,520	8,022	6,249	5,042

We have grown our deployed ATM base by 1,773 and 1,207 net ATM installations in Fiscal 2021 and Fiscal 2020, respectively. For the three-month period ended June 30, 2021, we continued the expansion of our deployed ATM base with 498 ATM installations.

The following table sets forth our average number of ATMs for each of Fiscal 2021, Fiscal 2020, Fiscal 2019, and the three-month period ended June 30, 2021. Average number of ATMs for a particular period is calculated as the sum of monthly average number of ATMs for each month, divided by total number of months for the particular period. Monthly average number of ATMs is calculated as the average of the opening and closing ATMs for the month.

	Three months ended June 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Average number of ATMs	8,254	6,939	5,399	4,835

ATM Transaction Volumes

As the per-transaction interchange fee that we are able to charge is set at a fixed rate by the RBI, we are able to increase our overall ATM revenues only by increasing the volume of transactions that our ATMs process. The following table sets forth the total number of transactions processed by our ATMs, the average transactions processed by our ATMs per month and the average realization rate per transaction processed by our ATMs in Fiscal 2019, Fiscal 2020 and Fiscal 2021:

	Fiscal 2021	**Fiscal 2020**	**Fiscal 2019**
Total transactions processed by all ATMs (*in millions*)	257.55	205.25	180.45
Average transactions per month (*in millions*)	21.46	17.10	15.04

We have been able to increase transaction volumes by growing our ATM network through capital expenditure on deploying new ATMs and by improving our customer engagement. We intend to continue deploying ATMs at locations in the SURU regions that we believe will provide high visibility and high transaction volumes. See "*Business– Growth in ATMs in the SURU Regions*" on page 156 of this Draft Red Herring Prospectus. We expect to continue to expand our ATM rollout in certain SURU regions by leveraging our understanding of ATM deployment gained over the years and the local knowledge of our franchise partners, which we believe would help achieve greater operational efficiencies.

As the interchange fee per transaction is fixed, we are able to increase our ATM revenues only by increasing the volume of transactions processed by our ATMs, and we are not able to pass any increase in operating or other expenses to our customers by increasing the interchange fee. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our operating expenses (including employee benefits expense and other expenses) as a percentage of total income were 55.44%, 58.16% and 62.57%, respectively. Accordingly, our business, results of operations and financial condition are dependent on the volume of transactions processed by our ATMs, and if we are not able to increase or maintain the historical growth trend of the volume of transactions processed by our ATMs our profitability would be impacted. However, as we continue to grow our ATM network, we expect to continue to realize certain economies of scale that will help decrease our overhead cost per ATM, including from increased bargaining power with suppliers and service providers.

Although we expect to generate increased revenue from other sources like value-added products and services (including advertising and lead generation) and from new products and services (like our micro-ATMs and digital platform), these other sources of revenue will unlikely alter our dependence on ATM transaction volumes in the near term.

The Impact of the COVID-19 Pandemic

The outbreak of the COVID-19 pandemic, as well as GoI measures to reduce the spread of COVID-19, have had a material impact on our operations since the end of Fiscal 2020, and the timing of how long the COVID-19 pandemic and the related GoI measures will last is still uncertain. Near the end of Fiscal 2020, the GoI initiated a nation-wide lockdown from March 24, 2020, which was initially set for three weeks, but was subsequently extended to May 31, 2020. The second wave of COVID-19 infections has impacted India in April, May and June 2021. In June 2021, the COVID-19 reported cases from the second wave started to decline and the GoI and state governments started gradually easing some of the strict precautionary measures.

Our business has been impacted, and may continue to be impacted, during the COVID -19 pandemic as set forth below.

- The decrease in economic activity and the decrease in footfall of customers at or around our ATMs, in particular during the lockdowns and second wave, resulted in reduced ATM transactions. During the period from March 31, 2020 to May 31, 2020, our ATM transactions decreased by approximately 12.30%. In April, May and June 2021, we experienced a decline in the number of transactions processed at our ATMs each month as a result of the disruptions due to nation-wide activity, including geographic/state-specific lockdowns, caused by the second wave of the COVID-19 pandemic.

- Many migrant workers in the cities and metro areas who usually return money to their homes and families in rural areas returned home during the pandemic reducing cash inflows to the SURU regions where our ATM business is focused.

- Our operations and the operations of our third-party service providers were disrupted and may continue to be disrupted by social distancing, split-teams, work from home and quarantine measures as well as illness associated with the pandemic.

- Our roll out of new ATMs was halted or slowed during the lockdowns in 2020 and the second wave in 2021. Notwithstanding, we added 1,773 ATMs in Fiscal 2021 as compared to 1,207 ATMs in Fiscal 2020. We added 498 ATM is the three months ended June 30, 2021.

- Our workforce and third-party service providers, including key personnel, have been unable to work effectively from time to time (especially during the lockdowns and second wave), and may in the future be unable to work effectively, because of illness, government actions, or other restrictions in connection with the pandemic.

The scope and nature of impacts from COVID-19, most of which are beyond our control, continue to evolve, and the outcome is uncertain. While our results of operations were largely recovered to pre-COVID-19 levels in the second half of Fiscal 2021, we cannot assure you that such recovery will continue in or throughout Fiscal 2022. The ultimate extent of the effects of the COVID-19 pandemic on us, and the end markets we serve, is highly uncertain and will depend on future developments and such effects could exist for an extended period even after the pandemic ends. To the extent the COVID-19 pandemic does adversely affect our business, financial condition or results of operations, it may also have the effect of heightening many of the factors listed in the section "*Risk Factors*" beginning on page 23 of this Draft Red Herring Prospectus.

Costs of Working Capital

The working capital for our business is primarily for funding the cash in our ATMs, which is available for dispensing to customers, and NPCI receivables. We are dependent on our working capital facilities to finance our working capital. We borrow from lending banks and financial institutions pursuant to our working capital facilities and the loan amounts are transferred to our current accounts maintained at our cash supply banks. The following table sets out our outstanding working capital loans from banks and other parties (including overdraft facilities) as at March 31, 2021, March 31, 2020 and March 31, 2019, and our average working capital utilization for the fiscal years ended March 31, 2021, March 31, 2020 and March 31, 2019.

(*in ₹ millions*)

	As of March 31, 2021	**As of March 31, 2020**	**As of March 31, 2019**
Outstanding working capital loans from banks and other parties (including overdraft facilities)	8,444.84	4,212.31	4,133.88

Note: As of the same period, our Company has cash and cash equivalents, bank balances (other than cash and cash equivalents) and cash dispensed recoverable aggregating to ₹ 10,090.78 million, ₹5,440.36 million and ₹ 4,711.04 million as of March 31, 2021, March 31, 2020 and March 31, 2019 respectively.

In accordance with the RBI's circular, dated March 7, 2019, we have been able to source cash directly from RBI (Issue Offices) and currency chests across the country since Fiscal 2020. Cash withdrawn from our current accounts maintained at our cash supply banks and cash purchased from the currency chests is then used to replenish our ATMs. Our customers withdraw the cash from our ATMs, which is debited from their bank accounts by their bank and settled to our Company through interbank settlement mechanism of NPCI. With effect from July 5, 2021, the NPCI settles the cash withdrawn and interchange fees (plus GST) across the NFS four times a day (previously twice daily). This means that, beginning from July 5, 2021, our current accounts/working capital accounts with lending banks are credited four times a day with the cash withdrawn from our ATMs and the interchange fees (plus GST) earned by us.

While our working capital cycle is very short, changes in interest rates on our working capital loans can have a material effect on our profitability. The interest we pay on our working capital facilities is recorded as finance costs. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our interest paid on our working capital facilities was ₹361.76 million, ₹289.14 million and ₹307.26 million, respectively, which represented 11.13%, 10.52% and 11.63% of our total expenses, respectively. The interest rates that our lending banks offer us on our working capital facilities declined in recent periods due to improvements in our net worth, financial performance and credit ratings, and a diversification of our lender base as well as macro-economic factors outside of our control. Our profitability is nevertheless largely dependent on the prevailing interest rates that we pay on our working capital facilities and our earnings are highly sensitive to interest rate movements. See "- *Quantitative and Qualitative Disclosures about Market Risk-Interest Rate Risk*" below on page 292. We look to manage our interest expenses relative to prevailing market interest rates by diversification of our lender base.

Government Regulations and Policies

Our business, as a white label ATM operator, has benefited from sustained support from our primary regulator, the RBI. Most recently, through its notification, dated June 10, 2021, the RBI increased the interchange fees per transaction to ₹17 for financial transactions (₹15 until July 31, 2021) and ₹6 for non-financial transactions (₹5 until July 31, 2021). According to CRISIL Research, this increase will meaningfully change the economics and improve the profitability of white label ATM operators like our Company. (Source: CRISIL Report, September 2021). This was the first increase in interchange fees since we became a licensed white label ATM operator in February 2014; however, we are unaware of any plans by the RBI to increase or decrease interchange fees.

In accordance with the RBI's circular, dated March 7, 2019, we have been able to source cash directly RBI (Issue Offices) and currency chests across the country. This has resulted in higher availability of cash in all denominations and a reduction in operational costs for white label ATM operators, including our Company, due to the proximity of currency chests to our ATMs. (Source: CRISIL Report, September 2021). In respect of our overall working capital requirements, we have increased the proportion of cash sourced from the RBI (Issue Offices) and currency chests from 0% in Fiscal 2019 to 22% in Fiscal 2020 to 43% in Fiscal 2021. As mentioned above, this change has also benefited our Company by helping to reduce our overall operational expenses. Further, the RBI now allows for white label ATM operators to receive perpetual licenses (rather than the annual renewal of licenses required previously). In addition, the Company benefits from the exemption afforded by the Central Board /of Direct Taxes from the Tax Deducted at Source (TDS) rules so that no tax need be deducted from cash withdrawals. Withholding tax is applicable on cash withdrawn from banks beyond a certain threshold yearly. As we withdraw cash in bulk and use only for ATM replenishment, WLAOs (and their cash replenishment and franchisee partners) are exempted from such withholding tax. Any such similar changes in the future would help lower our operating and other costs and improve overall profitability.

The RBI has also expanded the services that white label ATM operators are allowed to offer. Under recent changes to applicable regulations, white label ATM operators are allowed to offer co-branded debit cards with banks, display advertisements on their machines and within the premises housing the ATM pertaining to non-financial products and services and provide lead generation platforms (for products like insurance, loans, mutual funds and other products). In addition, the RBI now permits white label ATM operators to offer bill payment services and cash deposit services through ATMs. These changes allow us to avail of additional revenue opportunities.

On the other hand, the RBI has advised all banks through its circulars on "Cassette – Swaps in ATMs" dated April 12, 2018 and July 12, 2021, to use lockable cassettes in their ATMs, which shall be used for cash replenishment instead of the counting and add cash methodology currently used by our Company and our third-party service providers. The original deadline set by the RBI for full implementation of the cassette swap system by banks was March 31, 2021, which was recently extended to March 31, 2022. The adoption of this cassette replacement methodology by our Company would change our current cash loading operating procedures and increase our operating expenses which could adversely affect our margins and profitability.In addition, the RBI, in a circular dated August 10, 2021, provided that it will impose a penalty from October 1, 2021 for ATMs that become unavailable to customers for cash withdrawals for more than 10 hours per month due to the operators failure to replenish cash in that ATM. The penalty to be imposed for violations will be of ₹10,000 per ATM.

Further, in a recent NPCI advisory, dated August 14, 2021, members of the NFS were advised to keep cash withdrawal transaction limits of ATMs at ₹10,000 per ATM transaction. We intend to align our ATM withdrawal limits in accordance with this NPCI advisory. This may result in an increase in our working capital requirements and a higher value of withdrawal per transaction from our ATMs (which in turn may reduce the number of transactions) and, accordingly, could adversely affect our results of operations.

Seasonality

Although we do not consider our overall business to be highly seasonal in nature, we have in the past experienced fluctuations in transaction volumes at our ATMs located in regions susceptible to seasonal demand patterns and due to harsh weather from monsoons, storms or otherwise. We also experience high demand during local festivals and buying seasons. Conversely, transaction volumes at our ATMs located in regions affected by strong weather patterns typically decline as a result of decreases in the amount of consumer demand in such locations. During COVID-19 lockdowns and during the second wave of infections, we experienced a decrease in consumer traffic in certain locations in which we operate our ATMs. We expect these location-specific and regional fluctuations in transaction volumes to continue in the future.

Macroeconomic conditions in India

As a white label ATM operator with its principal operations in India, our financial position and results of operations have been and will continue to be significantly affected by overall economic growth patterns in India and particularly in the SURU regions in which our ATM business is focused. Strong economic growth tends to positively impact our results of operations, since it will increase economic activity in, and support the growth of, the agricultural and other sectors that operate in or affect the economic conditions in the SURU regions, which would in turn drive stronger demand for customers to use our ATMs. Please refer to the section titled "*Industry Overview*" beginning on page 110 of this Draft Red Herring Prospectus for a discussion on current macroeconomic conditions and trends in the Indian economy. Any slowdown in the growth of the Indian economy, coupled with inflationary pressures, could adversely impact our business, the business sectors operating in or affecting the SURU regions that we are targeting as growth areas and our customers.

Critical Accounting Policies

Use of estimates and judgements

The preparation of our restated financial statements is in conformity with generally accepted accounting principles which requires management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon our management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future year. Appropriate changes in estimates are made as our management becomes aware of changes in circumstances surrounding the estimates.

Application of accounting policies that require significant accounting estimates involving complex and subjective judgements and the use of assumptions in these restated financial statements are:

- Recoverability of advances/receivables;
- Useful lives of depreciable/amortizable assets;
- Defined benefit obligation (DBO);
- Fair value measurements;
- Share based payment;
- Contingent liabilities;
- Recognition of deferred tax assets;
- Evaluation of indicators for impairment of assets; and
- Provisions.

Revenue recognition

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

- Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a

customer, excluding amounts collected on behalf of third parties.

- Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligations.

- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

1) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

2) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognized in the statement of profit & loss to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Service revenues

Service revenues include amounts invoiced for a) interchange fee for use of white label ATM, b) technical service fee for POS solution c) managed service fee towards management of ATMs on behalf of banks, d) WLA fee towards Co-branding and e) Value Added Services (VAS). Service revenues are recognised as the services are rendered and are stated net of discounts, waivers and taxes.

Revenue from sale of products is recognised on the transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of GST and net of trade discounts and sales returns.

Interest income

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, we estimate the expected cash flows by considering all the contractual terms of the financial instrument but do not consider the expected credit losses. Interest income is included in finance income in our statement of profit and loss. The expected cash flows are revisited on a yearly basis.

Unbilled revenue

Unbilled revenue disclosed under other financial assets represent revenue recognised in respect of services provided but bills not generated to the end of the reporting period. These are billed in subsequent periods as per the terms of the contractual arrangements.

Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. On transition to Ind AS, we had elected to measure all of our property, plant and equipment at the previous GAAP carrying value (deemed cost). The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Company. All other repair and maintenance costs are recognized in our statement of profit and loss, as incurred.

Where assets are installed on the premises of merchants, such assets continue to be treated as property, plant and equipment as the associated risks and rewards remain with our Company and management is confident of exercising control over them.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on property, plant and equipment is provided on the straight-line method based on useful lives of respective assets as estimated by the management or as prescribed under Schedule II of the Companies Act, 2013, whichever is higher. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review and adjusted prospectively. Depreciation for assets purchased or sold during a period is proportionately charged to our statement of profit and loss.

We depreciate property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life (Years)
Automated Teller Machine*	10
POS terminals*	6
Plant and equipment*	5
Electrical equipment	10
Computer hardware	3 to 6
Furniture and fixtures	10
Office equipment	5
The leasehold improvements are depreciated over the period of lease or life of asset: i.e., 10 years, whichever is lower.	

** For these classes of assets, based on internal assessment and technical evaluation carried out, our management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence the useful life for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.*

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in our statement of profit and loss when the asset is derecognized.

Employee benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. Our contributions towards provident fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952. We have no obligation, other than the contribution payable to the provident fund. We recognize contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan and define the amount of benefit that an employee will receive on completion of services by reference of length of service and last drawn salary. The liability is recognized in the balance sheet for defined benefit plan, as the present value of the defined benefit obligation (DBO) at the reporting date is less than the fair value of the plan assets. Our management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in our statement of profit and loss.

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

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the period in which such gain or loss arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Compensated absences

We also provide benefit of compensated absences to our employees. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the period in which such gains or losses arise.

We present the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where our Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Share based payment transactions and incentive shemes

In order to reward and incentivize our employees, the Board has on August 26, 2021 approved the ESOP Plan and an employee incentive scheme called the "**Employee Incentive Scheme – Mission 10 K**".

We have adopted the India1 Stock Option Plan 2021 (the "ESOP Plan") and an employee incentive scheme ("Employee Incentive Scheme – Mission 10K"). As per the requirements of Ind AS 102, our Company follows the fair value of option granted under ESOP 2021 on the date of the grant for the accounting of employee compensation cost and recognizes the charge over the vesting period with corresponding credit to Equity (i.e. ESOP reserve) on a straight line basis, factoring the possible impact of attrition. For the employee Incentive Scheme – Mission 10K, the total cost of the incentive as defined in the incentive scheme has been apportioned over the defined period, subject to management's estimate of achieving the target within the defined period.Separately, pursuant to the Employee Incentive Scheme – Mission 10 K, our Company shall disburse amounts (net of applicable withholding tax) to certain eligible persons, as per a formula based on their seniority in our Company and the number of years served with us, linked to the roll out of new ATMs and achievement of revenue targets by our Company. The total cash outlay for payments to be made under this scheme is expected to be ₹159.93 million. The first tranche of ₹79.97 million, under the Employee Incentive Scheme – Mission 10 K was paid on September 2, 2021 and the second tranche of ₹79.97 million shall become due in December 2021 if the ATM and revenue targets as set out in the scheme are achieved. These payments will increase our employment expenses in Fiscal 2022 and, accordingly, impact our profitability.

For details on the Employee Incentive Scheme – Mission 10 K, please see – *"Our Management – Bonus or profit sharing plan for the Key Managerial Personnel"* on page 200 and for details on the ESOP Plan, see "*Capital Structure - Employee stock options scheme*" beginning on page 89.

Prior to the adoption of the ESOP Plan and the Employee Incentive Scheme – Mission 10 K, our Company has also made certain incentive payments to eligible individuals under the erstwhile Performance and Retention Incentive Scheme ("**PRI Scheme**"), under which Performance Retention Units ("**PRUs**") were granted at a notional value (called the Start Value) determined by a committee of our Board from time to time. The PRUs that had been granted would then vest over time as long as the concerned employee remained employed with our Company. On a specific trigger event occurrence, our Company would pay the employee a bonus equal to the increase in value of the employee's vested PRUs. At the end of each of the reporting period, until the liability is settled, and at the date of settlement, increase, if any, in the notional value as determined by the committee, pertaining to the vested period would be recognized immediately in the Statement of Profit or Loss. For such recognition, the future vesting unit's liability would also be recognized on a straight-line basis. The PRU Scheme has been cancelled pursuant to a resolution of our Board dated August 26, 2021, and accordingly, there are no amounts payable under the erstwhile PRI Scheme since that date to any of our Directors or employees, including any of our Key Managerial Personnel or Senior Management Personnel.

Leases

Company as a lessee

Our lease asset classes consist of leases for ATM machines, land leases and leases for buildings. We assess whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, we assess whether:

- the contract involves the use of an identified asset;
- our Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- our Company has the right to direct the use of the asset.

We recognize a right-of-use asset representing our right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date.

The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of profit and loss.

The lease liability is initially and subsequently measured at the present value of the future lease payments that are not paid at the commencement date/reporting date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to our Company.

We have elected not to recognize right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. We recognize the lease payments associated with these leases as an expense in our statement of profit and loss over the lease term.

Financial assets

Initial recognition and measure

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

<u>Debt Instrument</u>

Debt instruments at amortized cost

A 'Debt instrument' is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in our statement of profit and loss.

Debt instruments at fair value through other comprehensive income (FVTOCI)

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognized in other comprehensive income (OCI).

Debt instruments at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in our statement of profit and loss.

Equity investments

All equity investments in the scope of Ind AS 109,' Financial Instruments', are measured at fair value. We may make an irrevocable election to measure the equity investments at fair value through other comprehensive income (FVOCI). We make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If we decide to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in our statement of profit and loss.

Investment in mutual funds

Investment in mutual funds are measured at fair value through profit or loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or our Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition

Financial liabilities are recognized when our Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

These liabilities include borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in our statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Impairment

Financial assets

We recognize loss allowances using the expected credit loss (ECL) model for our financial assets which are not carried at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

Non-financial assets

At the end of each reporting period, we review the carrying amounts of our tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an Individual asset, we estimate the recoverable amount of the cash-generating unit to which the asset belongs. Where 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 to sell 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 ('CGU')) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Tax expense

Income taxes

Income tax expense comprises of current tax and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit as determined in accordance with the applicable tax rates and the provisions of the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognized on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on our Company’s forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of our assets and liabilities.

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

Current and deferred tax for the period

Current and deferred tax are recognized in profit or loss, except when they are related to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Changes in the accounting policy if any in the last three years and their effect on our profits and reserves

There have been no changes in accounting policies of the Company during the last three financial years.

Non-GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we believe the following non-GAAP measures are useful to the Company and its investors as a means of assessing and evaluating our operating performance in comparison to prior periods. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determinedin accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information are not recognized under Ind AS and do not have standardized meanings prescribed by IND AS. In addition, non-GAAP financial measures used by us may differ from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, asfurther detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directlycomparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

EBITDA and EBITDA Margin

The following table sets forth our earnings before interest, taxes, depreciation and amortization expenses ("*EBITDA*") from our profit / (loss) before tax, as restated, and the manner in which it is calculated for Fiscal, 2021, Fiscal 2020 and Fiscal 2019, and includes a reconciliation of EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin to our restated profits/losses in each of Fiscal 2021, Fiscal 2020 and Fiscal 2019.

EBITDA Margin is a percentage margin derived by dividing EBITDA by total income.

(*in ₹ millions, except percentages*)

Particulars	As of, or for the fiscal year ended, March 31, 2021	2020	2019
Profit / (loss) before tax, as restated	21.58	(86.05)	(292.78)
Add: Interest and financing expenses	587.96	482.08	525.63
Add: Depreciation and amortization expenses	845.68	717.47	646.51
EBITDA	1,455.22	1,113.50	879.37
EBITDA margin	44.49%	41.84%	37.43%
Net profit / loss (excluding other comprehensive loss)	33.38	(58.66)	(241.84)

Segmental Information

Basis for segmentation

We are engaged in white label ATM operations ("*WLA*"), ATM managed services ("*MSP*"), POS technical services and micro-ATM operations ("*M-ATM*") which represent different business segments as they are subject to risks and returns that are not similar to each other. We operate only in India, so there is no other geographical segment.

Operating business segments

Accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual business segments. Revenue and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other costs wherever allocable, are apportioned to the segments on an appropriate basis. Certain expenses are not specifically allocable to individual segments as underlying services are used interchangeably. We, therefore, believe that it is not practicable to provide segment disclosures relating to such expense, and accordingly such expenses are separately disclosed as "unallocated" and are directly charged against total income.

Assets and liabilities in relation to segments are categorised based on items that are individually identifiable to that segment. Certain assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. We, therefore, believe that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly these are separately disclosed as "unallocated".

The following table sets out our business segments information for Fiscal 2021 and as at March 31, 2021:

(₹ in million)

	For Fiscal 2021				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
(i) Revenue					
External sales	3,149.98	0.21	24.09	1.70	3,175.98
Total revenue from operations	**3,149.98**	**0.21**	**24.09**	**1.70**	**3,175.98**
(ii) Cost					
Cost	2,380.05	0.03	21.97	2.49	2,404.54
Total cost for operations	**2,380.05**	**0.03**	**21.97**	**2.49**	**2,404.54**
(iii) Results reconciliation					
Segment result	769.93	0.18	2.12	(0.79)	771.44
Operating profit	**769.93**	**0.18**	**2.12**	**(0.79)**	**771.44**
(iv) Others (unallocated)					
Other income	92.30	-	2.30	-	94.60
(v) Segment depreciation and amortisation					
Depreciation and amortisation expenses	833.59	-	12.09	-	845.68
Total depreciation	**833.59**	**-**	**12.09**	**-**	**845.68**
Profit / (loss) before tax	**28.64**	**0.18**	**(7.67)**	**(0.79)**	**20.36**
Income tax expenses (Unallocated)					(12.11)
Net profit / (loss) for the year	**28.64**	**0.18**	**(7.67)**	**(0.79)**	**32.47**

	For Fiscal 2021				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
	As at March 31, 2021				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
(vi) Other information					
Segment assets (property, plant and equipment)	3,713.49	-	29.40	0.25	3,743.14
Segment assets (other than property, plant and equipment)	10,578.02	-	4.40	3.09	10,585.51
Unallocated corporate assets	-	-	-	-	161.80
Total assets	**14,291.51**	**-**	**33.80**	**3.34**	**14,490.45**
Segment liabilities	12,520.22	-	7.06	0.01	12,527.29
Total liabilities	**12,520.22**	**-**	**7.06**	**0.01**	**12,527.29**

The following table sets out our business segments information for Fiscal 2020 and as at March 31, 2020:

(₹ in million)

	For Fiscal 2020				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
(i) Revenue					
External sales	2,466.57	52.04	41.95	-	2,560.56
Total revenue from operations	**2,466.57**	**52.04**	**41.95**	**-**	**2,560.56**
(ii) Cost					
Cost	1,961.80	32.05	38.15	-	2,032.00
Total cost for operations	**1,961.80**	**32.05**	**38.15**	**-**	**2,032.00**
(iii) Results reconciliation					
Segment result	504.77	19.99	3.80	-	528.56
Operating profit	**504.77**	**19.99**	**3.80**	**-**	**528.56**
(iv) Others (unallocated)					
Other income	90.74	0.37	9.79	-	100.90
(v) Segment depreciation and amortisation					
Depreciation and amortisation expenses	701.15	0.10	16.22	-	717.47
Total depreciation	**701.15**	**0.10**	**16.22**	**-**	**717.47**
Profit / (loss) before tax	**(105.64)**	**20.26**	**(2.63)**	**-**	**(88.01)**
Income tax expenses (Unallocated)					(27.90)
Profit / (loss) for the year	**(105.64)**	**20.26**	**(2.63)**	**-**	**(60.11)**

	As at March 31, 2020				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
(vi) Other information					
Segment assets (property, plant and equipment)	2,683.62	0.34	38.91	-	2,722.87
Segment assets (other than property, plant and equipment)	5,794.43	5.88	6.48	-	5,806.79
Unallocated corporate assets	-	-	-	-	155.66
Total assets	**8,478.05**	**6.22**	**45.39**	**-**	**8,685.32**
Segment liabilities	7,185.55	5.55	8.72	-	7,199.82
Total liabilities	**7,185.55**	**5.55**	**8.72**	**-**	**7,199.82**

The following table sets out our business segments information for Fiscal 2019 and as at March 31, 2019:

(₹ in million)

	For Fiscal 2019				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
(i) Revenue					
External sales	2,106.00	131.53	55.28	-	2,292.81
Total revenue from operations	2,106.00	131.53	55.28	-	**2,292.81**
(ii) Cost	**2,106.00**	**131.53**	**55.28**	**-**	**2,292.81**
Cost					
Total cost for operations	1,844.81	109.72	43.85	-	**1,998.38**

	For Fiscal 2019				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
(iii) Results reconciliation	**1,844.81**	**109.72**	**43.85**	**-**	**1,998.38**
Segment result	**261.19**	**21.81**	**11.43**	**-**	**294.43**
Operating profit	261.19	21.81	11.43	-	294.43
(iv) Others (unallocated)					
Other income	54.25	0.10	2.47	-	56.82
(v) Segment depreciation and amortisation					
Depreciation and amortisation expenses	627.87	0.25	18.40	-	646.52
Total depreciation	**627.87**	**0.25**	**18.40**	**-**	**646.52**
Profit / (loss) before tax	**(312.43)**	**21.66**	**(4.50)**	**-**	**(295.27)**
Income tax expenses					(51.59)
Profit / (loss) for the year	**(312.43)**	**21.66**	**(4.50)**	**-**	**(243.68)**

	As at March 31, 2019				
	WLA	**MSP**	**POS**	**M-ATM**	**Total**
(vi) Other information					
Segment assets (property, plant and equipment)	2,019.27	0.94	56.85	-	2,077.06
Segment assets (other than property, plant and equipment)	4,994.66	13.76	6.25	-	5,014.67
Unallocated corporate assets	-	-	-	-	138.06
Total assets	**7,013.93**	**14.70**	**63.10**	**-**	**7,229.79**
Segment liabilities	6,695.21	15.26	23.69	-	6,734.16
Total liabilities	**6,695.21**	**15.26**	**23.69**	**-**	**6,734.16**

Overview of Revenue and Expenditure

The following descriptions set forth information with respect to key components of our income statement.

Revenue

Total income consists of revenue from operations and other income.

Revenue from operations. Revenue from operations mainly comprises of revenue from (i) interchange fees received through operating our white label ATMs, (ii) the operation and management of POS terminals for one private foreign bank client, (iii) management of ATMs on behalf of banks, and (iv) transaction fees received through operating our micro-ATMs. For Fiscal 2021, we also generated revenue from the sale of traded goods, which comprised of micro-ATM devices.

Other Income. Other income primarily comprises of recurring income like interest income, and non-recurring income such as profits on sales of current investments and property, plant and equipment, provisions and liabilities no longer required written back, net gain on modification of financial instrument and other miscellaneous income.

Expenses

Total expenses comprise of operating expenses, purchases of stock-in-trade, changes in inventories of stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses.

Operating Expenses. Operating expenses comprise of cash delivery and loading expenses, ATM running cost, power and fuel, switching and connectivity expenses, sponsor bank charges and security and housekeeping expenses.

Purchase of stock-in-trade. Purchase of stock-in-trade comprises of purchases of micro-ATMs and micro-POS systems during a fiscal year.

Changes in Inventories of Stock-in-trade. Changes in inventories of stock-in-trade represents the difference between (i) the closing balances of micro-ATMs and micro-POS as at the end of a fiscal year and (ii) the opening balances of micro-ATMs and micro-POS as at the beginning of a fiscal year.

Employee Benefits Expenses. Employee benefits expenses comprise of salaries, wages and bonus, contribution to provident and other funds, gratuity expenses and staff welfare expenses.

Finance Costs. Finance costs comprise of interest expense and interest on lease obligation.

Depreciation and Amortisation Expenses. Depreciation and amortisation expenses comprise of depreciation on property plant and equipment, amortization of intangible assets and depreciation on right of use of assets.

Other Expenses. Other expenses primarily mainly comprise of repairs and maintenance expenses, advertisement and sales promotion, insurance expenses, bank charges travelling and conveyance expenses, legal and professional expenses, outsourced manpower expenses.

Our Results of Operations

The following table sets forth select financial data from our restated statements of profit and loss for Fiscal 2021, Fiscal 2020 and Fiscal 2019, the components of which are also expressed as a percentage of total income for such periods:

	Fiscal					
	2021		2020		2019	
	(₹ in million)	*(% of Total Income)*	*(₹ in million)*	*(% of Total Income)*	*(₹ in million)*	*(% of Total Income)*
Revenue:						
Revenue from operations	3,175.98	97.11	2,560.56	96.21	2,292.81	97.58
Other income	94.60	2.89	100.90	3.79	56.82	2.42
Total Income	**3,270.58**	**100.00**	**2,661.46**	**100.00**	**2,349.63**	**100.00**
Expenses:						
Operating expenses	1,143.01	34.95	913.66	34.33	919.47	39.13
Purchases of stock-in-trade	4.73	0.14	-	-	-	-
Changes in inventories of stock-in-trade	(2.65)	(0.08)	-	-	-	-
Employee benefits expenses	318.33	9.73	301.66	11.33	250.01	10.64
Finance costs	587.96	17.98	482.08	18.11	525.63	21.96
Depreciation and amortization expense	845.68	25.86	717.47	26.96	646.51	27.52
Other expenses	351.94	10.76	332.64	12.50	300.79	12.80
Total Expenses	**3,249.00**	**99.34**	**2,747.51**	**103.23**	**2,642.41**	**112.46**
Profit / (loss) before tax	**21.58**	**0.66**	**(86.05)**	**(3.23)**	**(292.78)**	**(12.46)**
Tax expenses:						
Current tax	-	-	-	-	-	-
Deferred tax credit	(11.80)	(0.36)	(27.39)	(1.03)	(50.94)	(2.17)
Total tax credit	**(11.80)**	**(0.36)**	**(27.39)**	**(1.03)**	**(50.94)**	**(2.17)**
Net profit / (loss) for the year	**33.38**	**1.02**	**(58.66)**	**(2.20)**	**(241.84)**	**(10.29)**
Other comprehensive loss for the year	(0.91)	(0.03)	(1.45)	(0.05)	(1.84)	(0.08)
Total comprehensive income / (loss) for the year	**32.47**	**0.99**	**(60.11)**	**(2.26)**	**(243.68)**	**(10.37)**

Results of operations for the Fiscal Year ended March 31, 2021 compared with the Fiscal Year ended March 31, 2020

Income

Our total income increased by 22.89% to ₹3,270.58 million for Fiscal 2021 from ₹2,661.46 million for Fiscal 2020, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 24.03% to ₹3,175.98 million for Fiscal 2021 from ₹2,560.56 million for Fiscal 2020, primarily due to (i) a net increase of 1,773 ATMs deployed in Fiscal 2021, (ii) an increase in the average number of ATMs (calculated as the average of the opening and closing ATMs for the particular period)to 6,939 ATMs for Fiscal 2021 from 5,399 ATMs for Fiscal 2020, (iii) an increase in ATM transactions from 205.25 million in Fiscal 2020 to 257.55 million in Fiscal 2021, and (iv) an increase in average transactions per month to 21.46 million in Fiscal 2021 from 17.10 million in Fiscal 2020. In

April and May 2020, we experienced a decline in the number of transactions processed at our ATMs each month as a result of the nation-wide lockdown imposed by the GoI during the first wave of the COVID-19 pandemic, which subsequently recovered to relatively normal levels following the lifting of the lockdowns. As a result, our revenue from white label ATM operations increased by 27.71% to ₹3,149.98 million for Fiscal 2021 from ₹2,466.57 million for Fiscal 2020. Our revenue from ATM managed services decreased to ₹0.21 million for Fiscal 2021 from ₹52.04 million for Fiscal 2020, primarily as a result of the expiration of ATM managed service customer contracts.

Other income. Our other income decreased by 6.25% to ₹94.60 million for Fiscal 2021 from ₹100.90 million for Fiscal 2020, primarily due to a net gain on sale of current investments of ₹17.59 million in Fiscal 2020 that was not replicated in Fiscal 2021.

Expenses

Operating expenses. Our operating expenses increased by 25.1% to ₹1,143.01 million for Fiscal 2021 from ₹913.66 million for Fiscal 2020, generally in line with the increase in our revenue from operations during Fiscal 2021. The increase in our operating expenses was primarily on account of an increase in cash delivery and loading expenses and running costs for our ATMs as our business and deployed ATM base expanded in Fiscal 2021. As a percentage of revenue from operations, our operating expenses remained stable at 35.99% and 35.68% for Fiscal 2021 and 2020, respectively.

Purchase of stock-in-trade. We expended ₹4.73 million mainly to purchase micro-ATMs in Fiscal 2021, as we rolled out the use of micro-ATMs as a new product initiative in Fiscal 2021. We did not have such expenses in Fiscal 2020 and Fiscal 2019.

Changes in inventories of stock-in-trade. We recognized changes in inventories of stock-in-trade, mainly comprising micro-ATMs, of ₹(2.65) million in Fiscal 2021. We did not recognize changes in inventories of stock-in-trade in Fiscal 2020 and Fiscal 2019, as we commenced the use of micro-ATMs in Fiscal 2021.

Employee benefits expenses. Our employee benefits expenses increased by 5.53% to ₹318.33 million for Fiscal 2021 from ₹301.66 million for Fiscal 2020. This increase was primarily due to an increase in salaries, wages and bonus to ₹290.37 million for Fiscal 2021 from ₹260.65 million for Fiscal 2020, partially offset by a decrease in stock appreciation rights to ₹4.98 million for Fiscal 2021 from ₹20.00 million for Fiscal 2020. In Fiscal 2020, the Company had approved a one-time adjustment to the grant prices of certain vested stock appreciation rights in respect of which an expense was recorded in Fiscal 2020. We had 196 and 177 full-time employees as at March 31, 2021 and March 31, 2020, respectively.

Finance costs. Our finance costs increased to ₹587.96 million for Fiscal 2021 from ₹482.08 million for Fiscal 2020, primarily due to an increase in interest expenses due to an increase in working capital requirements for our growing installed base of ATMs and an increase in interest on lease obligations as per Ind AS 116.

Depreciation and amortisation expense. Our depreciation and amortisation expense increased by 17.87% to ₹845.68 million for Fiscal 2021 from ₹717.47 million for Fiscal 2020, as a result of an increase in depreciation on right of use of assets to ₹424.31 million for Fiscal 2021 from ₹350.71 million for Fiscal 2020 and an increase in depreciation of property, plant and equipment to ₹417.82 million for Fiscal 2021 from ₹363.50 million for Fiscal 2020, as our business operations expanded in Fiscal 2021, including a 28.37% increase in the size of our deployed ATM base to 8,022 as of March 31, 2021 from 6,249 as of March 31, 2020.

Other expenses. Our other expenses increased by 5.81% to ₹351.94 million for Fiscal 2021 from ₹332.64 million for Fiscal 2020, primarily due to an increase in repairs and maintenance expenses for plant and equipment to ₹143.10 million for Fiscal 2021 from ₹102.80 million for Fiscal 2020, as our business and deployed ATM base expanded in Fiscal 2021.

Total tax credit. We had a tax credit (before other comprehensive loss) of ₹11.80 million and ₹27.39 million for Fiscal 2021 and Fiscal 2020, respectively.

Net profit / (loss) for the year. As a result of the above factors, we had a net profit (before other comprehensive loss) for Fiscal 2021 of ₹33.38 million for Fiscal 2021. We recognized a net loss (before other comprehensive loss) of ₹ (58.66) million for Fiscal 2020.

Results of operations for the Fiscal Year ended March 31, 2020 compared with the Fiscal Year ended March

31, 2019

Income

Our total income increased by 13.27% to ₹2,661.46 million for Fiscal 2020 from ₹2,349.63 million for Fiscal 2019, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 11.68% to ₹2,560.56 million for Fiscal 2020 from ₹2,292.81 million for Fiscal 2019, primarily due to (i) a net increase of 1,207 ATMs deployed in Fiscal 2020, (ii) an increase in the average number of ATMs (calculated as the average of the opening and closing ATMs for the particular period) to 5,399 ATMs for Fiscal 2020 from 4,835 ATMs for Fiscal 2019, (iii) an increase in ATM transactions to 205.25 million in Fiscal 2020 from 180.45 million in Fiscal 2019 and (iv) an increase in average transactions per month to 17.10 million in Fiscal 2020 from 15.04 million in Fiscal 2019,. As a result, our revenue from white label ATM operations increased by 17.12% to ₹2,466.57 million for Fiscal 2020 from ₹2,106.00 million for Fiscal 2019. Our revenue from ATM managed services decreased to ₹52.04 million for Fiscal 2020 from ₹131.53 million for Fiscal 2019, primarily as a result of a decrease in the number of ATMs for which we provided managed ATM services.

Other income. Our other income increased by 77.58% to ₹100.90 million for Fiscal 2020 from ₹56.82 million for Fiscal 2019, primarily due to (i) an increase in write-backs of provisions and liabilities no longer required to ₹30.12 million in Fiscal 2020 from ₹10.61 million for Fiscal 2019, (ii) an increase in net gain on sale of current investments to ₹17.59 million for Fiscal 2020 from ₹1.59 million for Fiscal 2019 and (iii) an increase in interest income to ₹43.90 million for Fiscal 2020 from ₹36.18 million for Fiscal 2019 primarily due to an increase in fixed deposits required to be placed with our lender banks as cash collateral for certain banking facilities on which we earn interest income.

Expenses

Operating expenses. Our operating expenses decreased slightly by 0.63% to ₹913.66 million for Fiscal 2020 from ₹919.48 million for Fiscal 2019. The decrease in our operating expenses was primarily on account of a decrease of security and housekeeping expenses to ₹7.56 million for Fiscal 2020 from ₹77.03 million for Fiscal 2019 as a result of the reduction in the number of ATMs for which we provided managed ATM services. Such decrease was partially offset by an increase in cash delivery and loading expenses to ₹541.38 million for Fiscal 2020 from ₹498.42 million for Fiscal 2019 as our business and deployed ATM base expanded in Fiscal 2020. As a percentage of revenue from operations, our operating expenses decreased to 35.68% for Fiscal 2020 from 40.10% for Fiscal 2019.

Employee benefits expenses. Our employee benefits expenses increased by 20.66% to ₹301.66 million for Fiscal 2020 from ₹250.01 million for Fiscal 2019. This increase was primarily due to (i) an increase in salaries, wages and bonus to ₹260.65 million for Fiscal 2020 from ₹223.80 million for Fiscal 2019 and (ii) an increase in stock appreciation rights to ₹20.00 million for Fiscal 2020 from ₹7.89 million for Fiscal 2019, as a result of our business expansion. In Fiscal 2020, the Company had approved a one-time adjustment to the grant price to certain vested stock appreciation rights in respect of which an expense was recorded in Fiscal 2020. We had 177 and 151 full-time employees as at March 31, 2020 and March 31, 2019, respectively.

Finance costs. Our finance costs decreased to ₹482.08 million for Fiscal 2020 from ₹525.63 million for Fiscal 2019, primarily due to a decrease in interest expenses as a result of a decrease in interest rates on our working capital and term loans and a decrease in interest on lease obligations.

Depreciation and amortisation expense. Our depreciation and amortisation expense increased by 10.98% to ₹717.47 million for Fiscal 2020 from ₹646.52 million for Fiscal 2019, as a result of increase in depreciation on right of use of assets to ₹350.71 million for Fiscal 2020 from ₹319.71 million for Fiscal 2019 and an increase in depreciation of property, plant and equipment to ₹363.50 million for Fiscal 2020 from ₹323.91 million for Fiscal 2019, as our business operations expanded in Fiscal 2020, including a 23.94% increase in the size of our deployed ATM base to 6,249 as of March 31, 2020 from 5,042 as of March 31, 2019.

Other expenses. Our other expenses increased by 10.60% to ₹332.64 million for Fiscal 2020 from ₹300.77 million for Fiscal 2019, primarily due to an increase in insurance expenses to ₹56.97 million for Fiscal 2020 from ₹35.31 million for Fiscal 2019 as a result of the overall growth of our business (*i.e.*, increase in ATMs deployed), as well as an increase in travelling and conveyance expenses to ₹25.75 million for Fiscal 2020 from ₹19.78 million for Fiscal 2019 and an increase in legal and professional expenses to ₹17.61 million for Fiscal

2020 from ₹11.40 million for Fiscal 2019.

Total tax credit. We had a tax credit of ₹27.39 million and ₹50.94 million for Fiscal 2020 and Fiscal 2019, respectively.

Net profit / (loss) for the year. As a result of the above factors, we had a net (loss) (before other comprehensive loss) for Fiscal 2020 and Fiscal 2019 of ₹ (58.66) million and ₹ (241.84) million, respectively.

Cash Flows

The following table sets forth our cash flows for the periods indicated:

(₹ in million)

	Fiscal		
	2021	**2020**	**2019**
Net cash generated from Operating Activities	1,258.09	2,369.92	285.82
Net cash (used in) Investing Activities	(1,405.01)	(699.73)	(345.58)
Net cash generated from/ (used in) Financing Activities	3,485.64	1,901.47	42.99
Net increase / (decrease) in Cash and Cash Equivalents	3,338.72	3,571.66	(16.77)

Operating Activities

Net cash generated from operating activities was ₹1,258.09 million for Fiscal 2021. While our net profit before tax was ₹21.58 million, we had an operating profit before working capital changes of ₹1,373.54 million, primarily due to adjustments for depreciation and amortization expenses of ₹845.68 million, finance costs on borrowing of ₹434.53 million and interest expense on lease obligation of ₹118.85 million, partially offset by interest income of ₹44.56 million and write-backs of provisions and liabilities no longer required of ₹42.58 million. Our adjustments for working capital changes for Fiscal 2021 primarily consisted of increases in other liabilities of ₹269.49 million and other financial liabilities of ₹213.16 million, which was offset by an increase in other financial assets of ₹610.31 million. Other financial assets includes the amount of cash dispensed recoverable that is pending settlement by NPCI. This receivable amount was relatively higher as of March 31, 2021 due to the increase in our deployed ATM base and transaction volume. Our cash generated from operating activities was ₹1,258.09 million, adjusted by a net income tax refund of ₹5.96 million.

Net cash generated from operating activities was ₹2,369.92 million for Fiscal 2020. While our net loss before tax was ₹86.05 million, we had an operating profit before working capital changes of ₹1,031.77 million, primarily due to adjustments for depreciation and amortization expenses of ₹717.50 million, finance costs on borrowing of ₹377.39 million and interest expense on lease obligations of ₹82.91 million, partially offset by interest income of ₹43.90 million and write-backs of provisions and liabilities no longer required of ₹30.12 million. Adjustments for working capital changes for Fiscal 2020 primarily consisted of a decrease in other financial assets of ₹1,007.86 million. As on March 31, 2020, our cash dispensed recoverable amount was lower primarily due to lower transaction volume caused by the nationwide lockdown imposed by the GoI during the first wave of the COVID-19 pandemic. Our cash generated from operating activities was ₹2,369.92 million, adjusted by a net income tax refund of ₹9.79 million.

Net cash generated from operating activities was ₹285.82 million for Fiscal 2019. While our net loss before tax was ₹292.78 million, we had an operating profit before working capital changes of ₹842.44 million, primarily due to adjustments for depreciation and amortization of ₹646.51 million and finance cost on borrowing of ₹425.25 million, partially offset by interest income of ₹36.18 million. Adjustments for working capital changes for Fiscal 2019 primarily consisted of an increase in other financial assets of ₹869.50 million, which was partially offset by an increase in other liabilities of ₹298.84 million. Our cash dispensed recoverable amount was relatively high as on March 31, 2019 as it was a Sunday, which was not a settlement day at the time. Our cash generated from operating activities was ₹285.82 million, adjusted by a net income tax payment of ₹6.81 million.

Investing Activities

Net cash used in investing activities was ₹1,405.01 million for Fiscal 2021, primarily due to purchases of property, plant and equipment of ₹1,111.72 million and investments in bank deposits of ₹349.46 million, partially offset by interest received of ₹29.45 million.

Net cash used in investing activities was ₹699.73 million for Fiscal 2020, primarily due to purchases of current investments of ₹1,036.71 million and purchases of property, plant and equipment of ₹731.34 million, partially offset by proceeds from the sale of current investments of ₹1,084.81 million.

Net cash used in investing activities was ₹345.58 million for Fiscal 2019, primarily due to purchases of property, plant and equipment of ₹296.61 million, investments in bank deposits of ₹54.37 million and purchases of current investments of ₹30.00 million, partially offset by interest received of ₹23.78 million.

Financing Activities

Net cash generated from financing activities was ₹3,485.64 million for Fiscal 2021, primarily comprising of issuance of 2019 CCPS ₹445.19 million, net proceeds from short-term borrowings of ₹6,493.67 million, partially offset by repayment of short-term borrowings of ₹2,700.00 million, repayment of long-term borrowings of ₹542.71 million, fresh draw down of ₹750mn from Indus Ind Bank, payment of interest and other bank charges of ₹453.08 million, payment of principal portion of lease liabilities of ₹388.58 million and interest paid of ₹118.85 million.

Net cash generated from financing activities was ₹1,901.47 million for Fiscal 2020, primarily comprising net proceeds from short-term borrowings of ₹2,702.22 million and proceeds from the issuance of 2019 CCPS by our Company of ₹1,050.00 million, partially offset by repayment of principal portion of lease liabilities of ₹338.39 million and interest paid of ₹82.91 million.

Net cash used generated from financing activities was ₹42.99 million for Fiscal 2019, primarily comprising of repayment of short-term borrowings of ₹801.04 million, payment of interest and other bank charges of ₹429.71 million, payment of principal portion of lease liabilities of ₹282.87 million, and repayment of long-term borrowings of ₹725.00 million.

Indebtedness

As of March 31, 2021, we had outstanding total borrowings of ₹9,146.95 million comprising of non-current borrowings (including current maturities of long-term borrowings) of ₹702.11 million and current borrowings of ₹8,444.84 million. As of the same period, our Company had cash and cash equivalents, bank balances (other than cash and cash equivalents) and cash dispensed recoverable aggregating to ₹10,090.78 million, ₹5,440.36 million and ₹ 4,711.04 million as of March 31, 2021, March 31, 2020 and March 31, 2019, respectively.

See "*Financial Indebtedness*" for a description of broad terms of our indebtedness on page 267 of this Draft Red Herring Prospectus.

In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

Capital and Other Commitments

We had the following capital commitments (net of capital advances) (which represent the sum of all open purchase orders as of the respective date) as of March 31, 2021, 2020 and 2019:

(₹ in million)

	As of March 31,		
	2021	**2020**	**2019**
Capital commitments (net of capital advances)	724.59	478.94	243.21

Capital Expenditure

For Fiscal 2021, Fiscal 2020 and Fiscal 2019, we added fixed assets of property, plant and equipment of ₹1,111.72 million, ₹731.34 million and ₹296.61 million, respectively. In each Fiscal Year, our capital expenditure is primarily for the purchase of new ATMs (including related connectivity and power equipment and site infrastructure and setup) and spare and replacement parts for our ATMs. In addition, in Fiscal 2021 we incurred additional capital expenditure for the purchase of certain security compliance-related upgrades for our ATMs as required by the RBI.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our fixed rate borrowings are carried at amortized cost. There are, therefore, not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments – Disclosure', since neither the carrying amount nor the future cash flows will fluctuate as a result of a change in market interest rates.

Our variable rate borrowings are subject to interest rate risk. Below is the overall exposure of our borrowings:

(₹ in million)

	As of March 31,		
	2021	2020	2019
Variable rate borrowings*	1,947.91	1,509.05	3,332.84
Fixed rate borrowings*	7,191.81	3,213.37	1,565.43

** Excluding adjustment for processing fee for current borrowings*

The following table shows the sensitivity analysis of a 0.5% change in interest rates on our interest expenses for variable rate borrowings for the periods indicated:

(₹ in million)

	Fiscal		
	2021	2020	2019
Increase by 50 basis points	(9.74)	(7.55)	(16.66)
Decrease by 50 basis points	9.74	7.55	16.66

Credit Risk

Our credit risk arises from cash and cash equivalents, other bank balances, trade receivables (i.e., receivables from NPCI against cash and non-cash transactions at our white label ATMs, value added services and services against POS terminals), loans and other financial assets.

We consider the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an on-going basis through each reporting period. Generally, it is presumed that credit risk has significantly increased since initial recognition if payments are more than 30 days past due. A default on financial assets is when the counterparty fails to make contractual payments when they fall due.

We provide for expected credit loss based on 12 months and lifetime expected credit loss basis for the following financial assets:

(₹ in million)

	Estimated gross carrying amount	Expected credit losses	Carry amount net of impairment
As at March 31, 2021:			
Trade receivables	20.10	7.66	12.44
Security deposit	170.18	-	170.18
Cash and bank	1,347.91	-	1,347.91
Cheque on hand	0.01	-	0.01
Other bank balance	638.77	-	638.77
Other financial assets	1,029.25	-	1,029.25
As at March 31, 2020:			
Trade receivables	31.70	17.96	13.74
Security deposit	150.81	-	150.81
Cash and bank	553.16	-	553.16
Other bank balance	376.09	-	376.09
Other financial assets	332.14	-	332.14
As at March 31, 2019:			
Trade receivables	54.70	26.52	28.18
Security deposit	150.38	-	150.38
Cash and bank	12.30	-	12.30
Other bank balance	397.10	-	397.10
Other financial assets	1,261.80	-	1,261.80
Investments	30.52	-	30.52

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Our management monitors rolling forecast of our liquidity position and cash and cash equivalents on the basis of expected cash flows. Our liquidity management policy involves considering the level of liquid assets necessary to meet our liquidity requirement, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below sets out an analysis of our financial liabilities into relevant maturity groups based on the contractual maturities for all of our financial liabilities. The amounts disclosed therein are the contractual undiscounted cash flows:

(₹ in million)

	Less than 1 year	1 year to 5 years	5 years and above	Total
As at March 31, 2021				
Borrowings*	8,615.21	582.76	186.94	9,384.91
Trade payables	353.42	-	-	353.42
Other financial liabilities**	761.02	1243.29	1236.91	3241.22
Total	**9,729.65**	**1,826.05**	**1,423.86**	**12,979.55**
As at March 31, 2020				
Borrowings*	4,405.12	413.06	-	4,818.17
Trade payables	316.77	-	-	316.77
Other financial liabilities**	714.48	821.48	741.04	2,276.99
Total	**5,436.36**	**1,234.54**	**741.04**	**7,411.94**
As at March 31, 2019				
Borrowings*	4,399.36	677.79	-	5,077.15
Trade payables	341.22	-	-	341.22
Other financial liabilities**	549.28	582.73	428.80	1560.81
Total	**5,289.86**	**1,260.52**	**428.80**	**6,979.19**

** Includes current maturities of long-term borrowings*
*** Includes lease liabilities*

Reservations, Qualifications and Adverse Remarks Included in Financial Statements

There have been no reservations or qualifications or adverse remarks of our Statutory Auditors in the last three fiscal years.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. For further information see "*Financial Statements –Note 37 – Related Parties*" on page 251 of this Draft Red Herring Prospectus.

Significant Economic Changes

Other than as described above, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, toour knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*Principal Factors Affecting Our Financial Condition and Results of Operations*" and the uncertainties described in the section titled "*Risk Factors*" beginning on page 23 of this Draft Red Herring Prospectus. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Future Relationship Between Cost and Income

Other than as described elsewhere in this Draft Red Herring Prospectus, including disclosure regarding the impact of COVID-19 on our operations, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

Significant Developments after March 31, 2021 that may affect our future results of operations

In April, May and June 2021, we experienced a decline in the number of transactions processed at our ATMs each month as a result of the disruptions to nation-wide activity, including geographic/state-specific lockdowns, caused by the second wave of the COVID-19 pandemic.

Except as stated in this Draft Red Herring Prospectus, including disclosure regarding the impact of COVID-19 on our operations, to our knowledge, no circumstances have arisen since the date of the Restated Financial Statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, the value of our assets or our ability to pay our material liabilities within the next twelve months.

On August 13, 2021, the RBI imposed a fine on our Company of ₹20.0 million for (i) our failure to deploy 9,000 ATMs within a period of 3 years from the start of our white label ATM operations, and (ii) our failure to maintain a net worth of ₹1,000 million between March 31, 2018 and August 21, 2019, in both cases as required by our certificate of authorisation to set-up own and operate white label ATMs, dated February 12, 2014.

On August 26, 2021, the Board approved and adopted the ESOP Plan and the Employee Incentive Scheme – Mission 10 K. For further information and details on the ESOP Plan and Employee Incentive Scheme – Mission 10 K, see the subsection titled " – *Critical Accounting Policies - Share based payment transactions and incentive schemes*" on page 279, and the sections titled "*Our Management – Bonus or profit sharing plan for the Key Managerial Personnel*" on page 200 and "*Capital Structure - Employee stock options scheme*" beginning on page 89.

Split of face value of equity shares from ₹10 to ₹5

Pursuant to a resolution passed by the Shareholders on August 13, 2021, our Company has sub-divided its equity shares, such that 9,248,817 equity shares of ₹10 each aggregating to ₹92,488,170 were sub-divided as 18,497,634 Equity Shares of ₹5 each aggregating to ₹92,488,170.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, there are no outstanding (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) claims related to direct or indirect tax matters, and (iv) litigation proceedings that are otherwise material, in each case, involving our Company, our Promoters and our Directors ("**Relevant Parties**"). As on date of this Draft Red Herring Prospectus, our Company does not have any Group Company.*

In accordance with the Materiality Policy:

(a) *all pending litigation involving our Company, our Promoters or Directors, other than criminal proceedings, actions by regulatory authorities and statutory authorities and claims related to direct and indirect taxes, would be considered 'material', if the monetary amount of claim made by or against our Company, our Directors and our Promoters in any such pending proceeding is in excess of 1% of the profit after tax of our Company for the Financial Year 2021, being ₹ 0.33 million or any such litigation, the outcome of which would have a material bearing on the business, performance, financial position, prospects, reputation and operations of our Company (as determined by our Company), irrespective of their monetary quantum.*

(b) *outstanding dues to any creditor of our Company having monetary value exceeding ₹ 17.67 million, which is 5% of the total trade payables of our Company as on March 31, 2021, as per the Restated Financial Statements of our Company included in this Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, as on March 31, 2021, any outstanding dues exceeding ₹17.67 million have been considered as material outstanding dues for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise, the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended.*

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus

I. Litigation involving our Company

(a) *Criminal proceedings against our Company*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Company, other than as disclosed below.

Uday Shankar had registered a first information report dated August 18, 2015 at the Athmal Gola Police Station, Patna, Bihar against Ajay Kumar, an employee of our Company, under Sections 304A and 34 of the Indian Penal Code, 1860 for allegedly causing death of Bhole Shankar due to negligence on the part of Ajay Kumar, the then Regional Operation Manager of our Company. In the complaint it was alleged that the deceased, while using the ATM for withdrawal of money, was electrocuted from the ATM that was operated by our Company. Our Company filed a surrender cum bail petition dated December 4, 2015 before the Sub-Divisional Judicial Magistrate, Barh, Patna praying for the grant of bail in this matter and such bail was granted on December 4, 2015. The matter is currently pending before the District Court, Barh.

(b) *Criminal proceedings by our Company*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Company other than as disclosed below.

1. Our Company registered a first information report dated June 29, 2020 at the Gajwel Police Station, Andhra Pradesh under Sections 457 and 380 of the Indian Penal Code, 1860 alleging theft and damage to its ATM premises in Gajwel. Subsequently, an amount of ₹0.47 million was seized by the local police authorities from the accused in Gajwel. Our Company filed a petition dated December 19, 2020 before Court of the 2nd Additional Junior Civil Judge, Gajwel for the release of the aforesaid amount for the interim custody of our Company and procured an interim order dated January 8, 2021 wherein the court directed the release of such amount to our Company upon furnishing of a bank guarantee of ₹0.47 million by our Company

and to produce such cash during the trial. Our Company has furnished the bank guarantee dated March 20, 2021 for an amount of ₹0.47 million and subsequently, the civil judge passed an intimation order dated April 6, 2021 directing the station house officer, Gajwel to verify such bank guarantee furnished by our Company and submit a report before the court pursuant to such verification. Subsequently, the civil judge passed an order dated July 2, 2021 stating that the bank guarantee submitted by our Company was accepted and directed the station house officer, Gajwel to release the amount of ₹0.47 million to our Company and submit a report with the court pursuant to such release. Our Company has received such amount released from the custody of the station house officer, Gajwel. The matter is currently pending before the Additional Judicial Magistrate, Gajwel.

2. Our Company registered a first information report dated January 20, 2019 at the Dibiyapur Police Station, Uttar Pradesh under Sections 457 and 380 of the Indian Penal Code, 1860 alleging theft from its ATM. Subsequently, an amount of approximately ₹1.29 million was sealed and seized by the local police authorities from its ATM(s). Our Company filed an application dated February 8, 2019 before Chief Judicial Magistrate, Auraiya for the release of the aforesaid amount from the police custody and procured an interim order dated March 13, 2019 directing for the release of such amount. The matter is currently pending before the Additional District and Sessions Judge, Auraiya.

3. Our Company registered a first information report dated May 6, 2016 at the Meerganj Police Station, Bareilly, Uttar Pradesh under Sections 457, 380, 511 and 427 of the Indian Penal Code, 1860 alleging theft from its ATM in Meerganj, Bareilly. Subsequently, an amount of approximately ₹0.76 million was sealed and seized by the local police authorities in Bareilly from the accused. Our Company filed an application for the release of the aforesaid amount from the police custody and procured an interim order dated May 28, 2016 wherein the court directed the release of such amount to our Company upon furnishing of fixed deposits amounting to approximately ₹0.76 million by our Company. Our Company furnished the fixed deposits for the required amount. The matter is currently pending before the Additional Civil Judge, Bareilly.

4. Our Company registered a first information report dated November 25, 2015 at the Roza Police Station, Shahjahanpur, Uttar Pradesh under Sections 457 and 380 of the Indian Penal Code, 1860 alleging theft from its ATM in Shahjahanpur. Subsequently, an amount of approximately ₹0.16 million was recovered and seized by the local police authorities in Shahjahanpur. Our Company filed an application for the release of the aforesaid amount from the police custody and procured an interim order dated December 23, 2016 wherein the court directed the release of such amount to our Company upon furnishing of fixed deposit amounting to approximately ₹0.16 million by our Company. Our Company furnished the fixed deposit dated January 10, 2017 for the required amount. The matter is currently pending before the District Court, Shahjahanpur.

5. Our Company filed a complaint under Section 200 of the Code of Criminal Procedure, 1973 read with Sections 138 and 142 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheque. Our Company had entered into an agreement dated November 8, 2017 with the accused i.e. Ajeet Singh Chhabra for rendering ATM services in the name of 'Chhabra Tractors and Telecommunication' wherein the accused had agreed to provide services to our Company including procuring fit currency from the banks and cash replenishment at the ATMs of our Company. During normal course of business, the accused issued two cheques dated November 2, 2020 and December 2, 2020, respectively, of ₹0.05 million each, which were dishonoured and returned due to insufficiency of funds. Subsequently, our Company issued a legal notice dated February 2, 2021, however, the accused failed to make the outstanding payments. Subsequently, our Company filed an application dated March 23, 2021 before the Additional Chief Metropolitan Magistrate, Bengaluru praying for cognizance of the offences committed by the accused, trial of the accused and an award for compensation. The matter is currently pending before the Additional Judicial Magistrate Court, Bengaluru.

(c) Actions and proceedings initiated by statutory/regulatory authorities involving our Company

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions or proceedings by statutory/regulatory authorities involving our Company.

(d) *Material civil litigation against our Company*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Company.

(e) *Material civil litigation by our Company*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Company.

(f) *Tax Proceedings involving our Company*

S. No.	Particulars	Number of cases	Amount in dispute/ demanded (in ₹million to the extent quantifiable)*#
1.	Direct Tax*	1	6.53
2.	Indirect Tax	1	5.85

***** *Demand is raised against Loss Disallowed to the extent quantifiable*.

#*The figures are actual demand raised by respective authorities which may include interest on tax calculated upto the date of demand notice has been issued by respective authorities. These amounts do not include interests from the period of demand notice.*

Note: Our Company has filed income return claiming loss for that assessment year 2017-18 hence, if disallowed will result in reduction of loss.Our Company may not have any cash outflow form income tax demand except future outflow which may arise due to income tax payable on profit to the extend loss disallowed and outflow payable due to penalties of concealment if any levied by the income-tax department.

II. Litigation involving our Directors (*other than individual Promoter*)

(a) *Criminal proceedings against our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Directors other than as disclosed below.

There are five outstanding complaints against BTI Payments (Philippines) Inc. ("**BTI Philippines**") and its officers, including David Scott Glen and Peter Alexander Blackett, which have been filed by Manila Express Payment System, Inc. ("**MEPS**") under the Republic Act No. 8293 and Art. 318 of the Revised Penal Code, alleging acts of unfair competition and other deceits in relation to the replacement of 'Touchpay' automated payment machines provided by MEPS pursuant to a memorandum of understanding entered into by BTI Philippines and MEPS on March 9, 2016. Details of the complaints filed are as follows:

(i) NPS Docket No. XV-07-INV-21B-00820, before the Office of the City Prosecutor, Manila, first heard on June 16, 2021;

(ii) NPS Docket No. XV-05-INV-21E—0938, before the Office of the City Prosecutor –Makati City, first heard on June 23, 2020;

(iii) NPS Docket No. XV-16-INV-21E-00384, before the Office of the City Prosecutor –Taguig City, first heard on June 30, 2021;

(iv) NPS Docket No. XV-08-INV-21E-00261, before the Office of the City Prosecutor - Muntinlupa, first heard on July 2, 2021; and

(v) NPS Docket No. XV-03-INV-21E-02632, before the Office of the City Prosecutor -Quezon City, first heard on July 14, 2021.

These matters are currently pending before the respective offices of the City Prosecutors. The Complaint with NPS Docket No. XV-16-INV-21E-00384, pending before the Office of the City Prosecutor –Taguig City has been submitted for resolution.

(b) *Criminal proceedings by our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

(c) *Actions by statutory/regulatory authorities involving our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions or proceedings initiated by statutory/regulatory authorities involving our Directors, other than as disclosed below:

On November 20, 2019, the Reserve Bank of India, in exercise of powers conferred to it under Section 45-IE(2) of the RBI Act, superseded the erstwhile board of directors of Dewan Housing Finance Corporation Limited ("**DHFL**") and appointed R. Subramaniakumar, our Chairman and Independent Director, as the administrator of DHFL. On November 29, 2019, RBI filed a petition before the Hon'ble National Company Law Tribunal, Mumbai ("**NCLT**") for initiation of Corporate Insolvency Resolution Process ("**CIRP**") of DHFL under the provisions of the Insolvency & Bankruptcy Code ("**IBC**") and further appointed R. Subramaniakumar to act the administrator of DHFL in accordance with the provisions of the IBC and the rules and regulations thereunder ("Administrator"). In this capacity as the RBI and NCLT appointed Administrator, R. Subramaniakumar is party to multiple outstanding litigation before several judicial fora in connection with matters arising out the CIRP of DHFL. Further with the approval of the plan by NCLT on June 7, 2021, he has been discharged as administrator in accordance with IBC. He is now a member of monitoring committee along with five other members supervising the implementation.

(d) *Material civil litigation against our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Directors.

(e) *Material civil litigation by our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Directors.

(f) *Tax Proceedings involving our Directors*

Nil

III. Litigation involving our Promoters

(a) *Criminal proceedings against our Promoters*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoters other than as disclosed below.

For criminal proceedings against our individual Promoter, please see "*-Litigation involving our Directors (other than individual Promoter) – Criminal proceedings against our Directors" on page* 297.

(b) *Criminal proceedings by our Promoters*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoters.

(c) *Actions by statutory/regulatory authorities involving our Promoters*

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions or proceedings initiated by statutory/regulatory authorities involving our Promoters.

(d) *Material civil litigation against our Promoters*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Promoters.

(e) *Material civil litigation by our Promoters*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Promoters.

(f) *Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years*

As of the date of this Draft Red Herring Prospectus, there are no disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years initiated by our Promoters

(g) *Tax Proceedings involving our Promoters*

Nil

IV. Outstanding Dues to Creditors

In accordance with the SEBI ICDR Regulations, our Company, pursuant to a resolution dated September 3, 2021 of our Board, considers all creditors to whom the amount due by our Company exceeds 5% of the total trade payables (i e., 5% of ₹353.42 which is ₹17.67) of our Company as on March 31, 2021 as provided in the Restated Financial Statements as material creditors of our Company. Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination are disclosed below.

Types of Creditors	Number of Creditors	Amount (₹ in million)**
Material creditors	1	40.16
Micro, small and medium enterprises creditors	19	15.15
Other creditors	7,007	298.11
Total	7,027	353.42**

*** includes creditors having debit balance of ₹ 1.77 million and provision amounting to ₹ 257.56 million*

For further details about outstanding dues to material creditors as on March 31, 2021 along with the name and amount involved for each such material creditor, see www.india1payments.in.

V. Material Developments since the Last Balance Sheet

Other than as disclosed in "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Capital Structure***" on pages 23, 270 and 78, in the opinion of our Board, no circumstances have arisen since the date of our last balance sheet as disclosed in this Draft Red Herring Prospectus which materially and adversely affect, or are likely to affect, our profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

VI. Litigation involving the Group Companies

As on the date of this Draft Red Herring Prospectus, our Company does not have any Group Company.

GOVERNMENT AND OTHER APPROVALS

*Disclosed below is an indicative list of material approvals, licenses and registrations obtained by our Company, for undertaking its business. In view of such material approvals, licenses and registration, our Company can undertake this Offer and its business activities as currently conducted and disclosed in this Draft Red Herring Prospectus. Unless otherwise stated, these material approvals, licenses or registrations are valid as of the date of this Draft Red Herring Prospectus. In addition, certain of our material approvals, licenses or registrations may expire in the ordinary course of business, and our Company has either already made an application to the appropriate authorities for renewal of such material approvals, licenses or registrations or is in the process of making such renewal applications. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "**Risk Factors**" on page 23. For details in connection with the relevant laws and regulations governing the operations of our Company, see "**Key Regulations and Policies in India**" on page 172.*

I. General Details

A. Approvals in relation to our incorporation

a. Certificate of incorporation dated June 30, 2006 issued to our Company by the Registrar of Companies, Maharashtra at Mumbai in the name of 'Banktech India Private Limited'.

b. Fresh certificate of incorporation dated February 18, 2013 issued by the Registrar of Companies, Karnataka at Bengaluru pursuant to a change in name from 'Banktech India Private Limited' to 'BTI Payments Private Limited'. The Corporate Identity Number (CIN) of the Company was U93090KA2006FTC050581.

c. Fresh certificate of incorporation dated August 25, 2021 issued by the Registrar of Companies, Karnataka at Bengaluru pursuant to a change in name from 'BTI Payments Private Limited' to 'India1 Payments Private Limited'.

d. Fresh certificate of incorporation dated September 2, 2021 issued by the Registrar of Companies, Karnataka at Bengaluru pursuant to a conversion from a 'private limited company' to a 'public limited company' and consequent change in name from 'India1 Payments Private Limited' to 'India1 Payments Limited.The Corporate Identity Number (CIN) of the Company is U93090KA2006FLC050581.

B. Approvals in relation to the Offer

*For Offer related approvals, see "**Other Regulatory and Statutory Disclosures**" on page 303.*

C. Approvals in relation to the foreign investments in our Company

a. Approval issued by the Department of Economic Affairs (FIPB), Ministry of Finance, Government of India dated June 19, 2013 for undertaking additional activity of setting up white label ATMs in India with additional foreign investment of USD 20 million (approximately ₹1,085 million as per prevailing exchange rates) from The Banktech Group Pty. Ltd. Australia by way of equity share issuance.

b. Approval issued by the Department of Economic Affairs (FIPB), Ministry of Finance, Government of India dated October 8, 2015 for undertaking additional foreign investment from BTI Payments Singapore Pte. Ltd. for equity subscription up to 13.92% equity share capital of our Company for consideration of ₹630 million.

II. Approvals in relation to our Company

A. Tax related Approvals

a. The permanent account number of our Company is AADCB0396E.

b. The tax deduction account number of our Company is BLRB08377F.

c. Registration certificates issued under the goods and services tax acts of the states of Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Puducherry, Tamil Nadu, Telangana, Uttarakhand, Uttar Pradesh and West Bengal where our offices are located.

d. Registration certificates issued under the professional tax acts of the states of Bihar, Jharkhand, Karnataka and Maharashtra where our offices are located.

B. Labour related Approvals

a. Under the provisions of the EPF Act, our Company has been allotted EPF establishment code number PYKRP0052232000.

b. Under the ESI Act, our Company has been allotted the ESIC code no. 50000436990000999.

c. Registration certificates issued under the various shops and establishments acts of certain states where our offices are located, the details of which are as follows:

   i. certificate of registration bearing registration number 5/150/CE/0050/2016 issued on January 29, 2016 by the Department of Labour, Government of Karnataka under the Karnataka Shops and Commercial Establishments Act, 1961;

   ii. certificate of registration bearing registration number SEA1635701093801 issued on July 26, 2016 by the Department of Labour, Employment, Training and Skill Development, Government of Jharkhand under the Jharkhand Shops and Establishments Act, 1953;

   iii. certificate of registration bearing registration number SH070220160293 issued on January 15, 2014 by Labour Officer, Ernakulam under the Kerala Shops and Commercial Establishments Act, 1960; and

   iv. certificate of registration bearing registration number PT-86479 issued on March 2, 2016 by Inspection Officer, Patna under the Bihar Shops and Establishment Act, 1953.

d. The legal entity identifier code allotted to our Company is 335800JOXDP196WTOR20, which is valid until July 12, 2022.

e. Certificate of registration dated August 6, 2021 under the Contract Labour (Regulation and Abolition) Act, 1970, which is valid until July 31, 2023.

C. Approvals in relation to our business and operations

a. Certificate of authorisation dated February 12, 2014 issued by the Reserve Bank of India under the PSS Act for granting authorisation to the Company for setting up, owning and operating payment system for White Label ATMs, which is valid until March 31, 2022.

D. Intellectual Property Approvals

As on the date of this Draft Red Herring Prospectus, our Company has seven registered trademarks, the details of which are set out below:

S. No.	Description	Trademark Number	Class	Nature of mark
1.		4056556	Class 9	Image mark
2.		4056557	Class 36	Image mark
3.	**BTI INDIA1 ATM**	4056558	Class 9	Word mark

S. No.	Description	Trademark Number	Class	Nature of mark
4.	**BTI INDIA1 ATM**	4056559	Class 36	Word mark
5.	**BTI**	4061589	Class 36	Word mark
6.	**INDIA1ATM**	4297567	Class 9	Word mark
7.	**INDIA1ATM**	4297568	Class 36	Word mark

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

The Fresh Issue has been authorised pursuant to the resolution dated September 4, 2021 passed by the Board and the special resolution dated September 4, 2021 passed by the Shareholders under section 62(1)(c) of the Companies Act, 2013. Further, the Board has taken on record the approval of the Offer for Sale by the Selling Shareholders and has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 4, 2021.

Approvals from the Selling Shareholders

Each of the Selling Shareholders, severally and not jointly, have authorised and confirmed their respective participation in the Offer for Sale as stated below. The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus, or are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Equity Shares proposed to be offered by the Selling Shareholders includes all or a portion of the Equity Shares which will be issued upon conversion of the CCPS held by them as of the date of this DRHP. The conversion of CCPS will be completed prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations. For more details, see "***Capital Structure***" beginning on page 78.

S. No.	***Name of Selling Shareholders***	***Number of Equity Shares offered in the Offer for Sale****	***Date of board resolution***	***Date of consent letter***
1.	*The Banktech Group*	*Up to 100,000 Equity Shares*	*August 30, 2021*	*September 3, 2021*
2.	*BTI Payments Singapore*	*Up to 2,508,430 Equity Shares*	*August 30, 2021*	*September 3, 2021*
3.	*India Advantage Fund S3 I*	*Up to 4,994,391 Equity Shares*	*August 20, 2021*	*September 4, 2021*
4.	*India Advantage Fund S4 I*	*Up to 2,486,170 Equity Shares*	*August 20, 2021*	*September 4, 2021*
5.	*Dynamic India Fund S4 US I*	*Up to 216,189 Equity Shares*	*August 30, 2021*	*September 4, 2021*

**Includes equity shares to be issued pursuant to conversion of CCPS prior to the filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) and Regulation 8 of SEBI ICDR Regulations.*

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to letters dated [●], 2021 and [●], 2021, respectively.

Prohibition by SEBI, RBI or Governmental Authorities

Our Company, the Promoters and the members of the Promoter Group, the Directors, the persons in control of our Company or the corporate Promoters, and the Selling Shareholders are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any authority or court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, the Promoters, the members of the Promoter Group and each of the Selling Shareholder, severally and not jointly, confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to it in relation to the Company, as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of the Directors are associated with the securities market in any manner and there are no outstanding action that has been initiated by SEBI against the Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund full the subscription money if it fails to do so.*"

This Offer is being undertaken under Regulation 6(2) of the SEBI ICDR Regulations. We are therefore required to allot not less than 75% of the Net Offer to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event, we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the following conditions specified in Regulation 5 of the SEBI ICDR Regulations:

(i) Our Company, the Selling Shareholders, our Promoters, the members of our Promoter Group, and our Directors are not debarred from accessing the capital market by SEBI;

(ii) None of our Promoters or our Directors are promoter or directors of companies which are debarred from accessing the capital markets by SEBI;

(iii) None of our Company, our Promoters or our Directors have been categorized as a Wilful Defaulter;

(iv) None of our Promoters and our Directors are fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018; and

(v) Except employee stock options granted pursuant to the ESOP Plan and the outstanding CCPS, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus. The outstanding CCPS shall be converted into Equity Shares prior to filing of the Red Herring Prospectus with RoC in accordance with Regulation 5(2) of SEBI ICDR Regulations.

Further, none of our Company, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Frauds Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

Each Selling Shareholder, severally and not jointly, confirms that its Offered Shares are eligible to be offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations. The Equity Shares proposed to be offered by the Selling Shareholders includes all or a portion of the Equity Shares which will be issued upon conversion of the CCPS held by them as on date of this DRHP. The conversion of CCPS will be completed prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, JM FINANCIAL LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND IIFL SECURITIES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 7, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, the Directors, the Selling Shareholders and the Book Running Lead Managers

Our Company, the Directors, the Selling Shareholders and the Book Running Lead Managers accept no responsibility for statements otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.india1payments.in, would be doing so at his or her own risk. It is clarified that none of the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by the Selling Shareholders in relation to itself and/or the Equity Shares offered by it through the Offer for Sale.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders (to the extent that the information pertains to itself and the Offered Shares) and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, venture capital funds, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction other than in India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Maharashtra at Mumbai only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of any of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Draft Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such

Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in accordance with Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws, (ii) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

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

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. The Selling Shareholders, severally and not jointly, confirm that they shall extend such reasonable co-operation as may be requested by our Company and the BRLMs, to the extent such assistance is required from such Selling Shareholder in relation to its respective Offered Shares for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period. However, the respective Selling Shareholders shall not be liable to pay and / or reimburse any expenses towards refund or any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely and directly on account of such Selling Shareholder and such liability shall be several and not joint, and limited to the extent of their respective Offered Shares.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Consents

Consents in writing of: (a) the Selling Shareholders, our Directors, our Chief Financial Officer, our Company Secretary and Compliance Officer, the legal counsels, the bankers/ lenders to our Company (except that (i) consents from State Bank of India and Bank of Baroda in connection with the Offer have not been received by our Company, as on the date of this Draft Red Herring Prospectus, and (ii) while our Company has received consent from Kotak Mahindra Bank Limited in connection with the Offer, such consent is subject to receipt of similar no-objection from all other creditors and lenders), industry report provider, independent chartered accountants, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/Escrow Bank, Public Offer Account Bank, Sponsor Bank and Refund Bank to act in their respective capacities, will be obtained. Further, such consents shall not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus and the Prospectus with the SEBI.

Our Company has received consent dated September 7, 2021 from our Statutory Auditor, who holds a valid peer review certificate, to include its name as required under Section 26 of the Companies Act 2013 read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert", as defined under Section 2(38) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of the report of the Statutory Auditor on the Restated Financial Information dated September 3, 2021 and the statement of possible special tax benefits dated September 3, 2021 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Particulars regarding public or rights issues during the last five years

There have been no public issues, including any rights issues to the public undertaken by our Company during the five years preceding the date of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares or CCPS in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three years by our Company

Except as disclosed in "***Capital Structure***" on page 78, our Company has not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three years by listed group companies, subsidiaries and associates of our Company

Our Company does not have any subsidiaries or associates or Group Companies.

Performance vis-à-vis objects

Our Company has not undertaken any public issues, including any rights issues to the public in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects - Public/rights issue of the listed subsidiaries and promoters of our Company

The corporate Promoters are not listed on any stock exchange. Our Company does not have any subsidiaries.

Price information of past issues handled by the Book Running Lead Managers

JM Financial Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited.*

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Krsnaa Diagnostics Limited[9]	12,133.35	954.00	August 16, 2021	1,005.55	Not Applicable	Not Applicable	Not Applicable
2.	Rolex Rings Limited	7,310.00	900.00	August 09, 2021	1,250.00	Not Applicable	Not Applicable	Not Applicable
3.	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	July 29, 2021	2,111.85	92.54% [5.87%]	Not Applicable	Not Applicable
4.	Clean Science and Technology Limited	15,466.22	900.00	July 19, 2021	1,755	66.33% [5.47%]	Not Applicable	Not Applicable
5.	India Pesticides Limited	8,000.00	296.00	July 5, 2021	350.00	12.64% [1.87%]	Not Applicable	Not Applicable
6.	Shyam Metalics and Energy Limited[7]	9,085.50	306.00	June 24, 2021	380.00	40.95% [0.42%]	Not Applicable	Not Applicable
7.	Sona BLW Precision Forgings Limited	55,500.00	291.00	June 24, 2021	301.00	45.45% [0.42%]	Not Applicable	Not Applicable
8.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	75.43% [10.89%]	Not Applicable
9.	Anupam Rasayan India Limited[8]	7,600.00	555.00	March 24, 2021	520.00	-0.11% [-0.98%]	30.49%[8.23%]	Not Applicable
10.	Easy Trip Planners Limited	5,100.00	187.00	March 19, 2021	212.25	-7.27% [-0.86%]	124.68%[6.94%]	Not Applicable

Source: www.nseindia.com for price information and prospectus/basis of allotment for issue details

Notes:

1. *Opening price information as disclosed on the website of NSE.*
2. *Change in closing price over the issue/offer price as disclosed on NSE.*
3. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of 4.90 % on the Offer Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion ("**Employee Discount**") equivalent to ₹ 15 per Equity Share.*
8. *A discount of Rs. 55 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *A discount of Rs. 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
10. *Not Applicable – Period not completed*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited.*

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022	8	1,37,495.07	-	-	-	2	3	1	-	-	-	-	-	-
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	3	1	1
2019-2020	4	36,400.83**	-	-	1	-	1	2	-	1	1	-	1	1

***Spandana Sphoorty Financial Limited raised Rs. 11,898.49 million as against the issue size of Rs. 12,009.36 million*

Edelweiss Financial Services Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Edelweiss Financial Services Limited.*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	Not Applicable	Not Applicable	Not Applicable
2	Devyani International Limited	18,380.00	90.00	August 16, 2021	140.90	Not Applicable	Not Applicable	Not Applicable
3	Powergrid Infrastructure Investment Trust	77,349.91	100.00	May 14, 2021	104.00	14.00% [7.64%]	22.04% [10.93%]	Not Applicable
4	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	75.43% [10.89%]	Not Applicable
5	Stove Kraft Limited	4,126.25	385.00	February 5, 2021	498.00	30.68% [0.09%]	28.92% [-2.05%]	115.34% [8.08%]
6	Indigo Paints Limited^	11,691.24	1,490.00^	February 2, 2021	2,607.50	75.72% [4.08%]	55.40% [-0.11%]	74.84% [7.61%]
7	Burger King India Limited	8,100.00	60.00	December 14, 2020	112.50	146.5% [7.41%]	135.08% [10.86%]	168.25% [16.53%]
8	Equitas Small Finance Bank Limited	5,176.00	33.00	November 2, 2020	31.10	5.45% [12.34%]	19.55% [16.84%]	68.18% [25.38%]
9	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	18.90% [5.87%]	52.90% [20.25%]	45.79% [24.34%]
10	Angel Broking Limited	6,000.00	306.00	October 5, 2020	275.00	-2.32% [2.70%]	10.02% [21.86%]	-3.74% [29.24%]

Source: www.nseindia.com

^ Indigo Paints Limited - A discount of ₹ 148 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹1490 per equity share

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
4. *The Nifty 50 index is considered as the benchmark index*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Edelweiss Financial Services Limited.*

Fiscal Year*	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	4	1,48,530.43	-	-	-	-	1	1	-	-	-	-	-	-
2020-21	7	45,530.35	-	-	1	3	1	2	-	-	1	5	1	-
2019-20	3	23,208.49	-	-	-	-	1	2	-	1	-	1	-	1

The information is as on the date of the document

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

**For the financial year 2021-22- 4 issues have been completed of which 2 issues have completed 90 calendar days.*

IIFL Securities Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Securities Limited.*

Sr. No.	Issue Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Craftsman Automation Limited	8,236.96	1,490.00	March 25, 2021	1,359.00	-13.82%,[+0.11%]	+16.81%, [+10.11%]	N.A.
2	Suryoday Small Finance Bank Ltd	5,808.39	305.00	March 26, 2021	292.00	-18.38%,[-1.14%]	-26.87%, [-98.46%]	N.A.
3	Nazara Technologies Ltd	5,826.91	1,101.00	March 30, 2021	1,990.00	+62.57%,[0.13%]	+38.22%, [6.84%]	N.A.
4	Barbeque-Nation Hospitality Limited	4,528.74	500.00	April 7, 2021	489.85	+18.77%,[-0.64%]	+76.97%, [+6.85%]	N.A.
5	Macrotech Developers Ltd	25,000.00	486.00	April 19, 2021	436.00	+30.22%,[+5.21%]	+75.43%,[+10.89%]	N.A.
6	Shyam Metalics and Energy Ltd	9,085.50	306.00	June 24, 2021	380.00	+40.95%,[+0.42%]	N.A.	N.A.
7	Krishna Institute of Medical Sciences Limited	21,437.44	825.00	June 28, 2021	1,009.00	+48.10%;[-0.43%]	N.A.	N.A.
8	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	N.A.	N.A.	N.A.
9	Krsnaa Diagnostics Limited	12,133.35	954.00	August 16, 2021	1,005.55	N.A.	N.A.	N.A.
10	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	N.A.	N.A.	N.A.

Source: www.nseindia.com

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. The Nifty 50 index is considered as the benchmark index. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Securities Limited.*

Financial Year	Total No. of IPO’s	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019–20	5	65,827.61	-	-	2	-	1	2	1	1	1	-	-	2
2020-21	8	47,017.65	-	-	4	2	1	1	-	-	-	1	1	1
2021-22	6	1,14,700.38	-	-	-	-	3	1	-	-	-	-	-	-

Source: www.nseindia.com
Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered. NA means Not Applicable.
NA means Not Applicable.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the BRLM	Website
1.	JM Financial Limited	www.jmfl.com
2.	Edelweiss Financial Services Limited	www.edelweissfin.com
3.	IIFL Securities	www.iiflcap.com

Stock market data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares pursuant to the Offer, or such other period as may be prescribed under applicable law to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, the BRLMs shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount. For helpline details of the

Lead Managers pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see '*General Information*' on page 69.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Our Company has applied for the authentication on SCORES in terms of SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and shall comply with the SEBI circular (CIR/OIAE/1/2014CIR/OIAE/1/2013) dated December 18, 2014, in relation to redressal of investor grievances through SCORES.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with their obligations under applicable SEBI ICDR Regulations.

Investors can contact the Company Secretary and the Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations or non-receipt of funds by electronic mode.

Disposal of investor grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mohit Nagar, as the Company Secretary and Compliance Officer of the Company, and he may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "***General Information***" on page 69.

Each of the Selling Shareholders have, severally and no jointly, authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

SECTION VII - OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the abridged prospectus and other terms and conditions as may be incorporated in the Allotment Advices and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by SEBI, Government of India, Stock Exchanges, the RoC, RBI and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and each of the Selling Shareholders in the manner specified in "***Objects of the Offer – Offer Expenses***" on page 99.

Ranking of Equity Shares

The Equity Shares being offered and Allotted in the Offer will be subject to the provisions of the Companies Act, 2013, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company. For more information, see "***Main Provisions of the Articles of Association***" on page 343.

Mode of payment of dividend

Our Company will pay dividend, if declared, to the Shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer will be received by the Allottees in accordance with applicable law. For more information, see "***Dividend Policy***" and "***Main Provisions of the Articles of Association***" on pages 208 and 343, respectively.

Face value and Price Band

The face value of each Equity Share is ₹ 5. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●].

The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, and shall be advertised at least two Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper) [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges.

The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, after the Bid/Offer Closing Date.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the equity Shareholders

Subject to applicable law and the Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "***Main Provisions of the Articles of Association***" on page 343.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated September 3, 2021 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated September 1, 2021 among CDSL, our Company and Registrar to the Offer.

Market lot and trading lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of the Basis of Allotment, see "***Offer Procedure***" on page 323.

Joint holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination facility

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest, to the exclusion of all other person, unless the nomination is verified or cancelled in the prescribed manner. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination shall stand rescinded upon a sale or transfer of Equity Shares by the holder of such Equity Shares. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A fresh nomination can be made only on the prescribed form, which is available on request at the Registered and Corporate Office or with the registrar and transfer agent of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	[●]
FINALISATION OF THE BASIS OF ALLOTMENT	[●]
INITIATION OF REFUNDS/UNBLOCKING OF FUNDS FROM ASBA ACCOUNTS***	[●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[●]
COMMENCEMENT OF TRADING	[●]

** Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

*** Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date.*

**** In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

The above timetable is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of the Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/Offer Period by our Company, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. The Selling Shareholders, severally and not jointly, confirm that they shall extend such reasonable co-operation, to the extent such assistance is required from such Selling Shareholder in relation to its respective Offered Shares, as may be requested by our Company and the Book Running Lead Managers for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other time as may be prescribed by SEBI.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time
Bid/Offer Closing Date	

Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. Indian Standard Time

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. Indian Standard Time in case of Bids by QIBs and Non-Institutional Investors, and

ii. until 5.00 p.m. Indian Standard Time or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the Book Running Lead Managers to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders are cautioned that if a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company, the Selling Shareholders and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a press release and by indicating the change on the websites of the Book Running Lead Managers and terminals of the Syndicate Members and will also be intimated to SCSBs, the Registered Brokers, CRTAs and CDPs. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum subscription

If our Company does not receive the minimum subscription of 90% of the Fresh Issue, and as specified under Rule 19(2)(b) of the SCRR, including through the devolvement to the Underwriters, as applicable, on the date of closure of the Offer; or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the Offer Document, our Company shall forthwith refund the entire subscription amount received. If there is a delay of four days after our Company becomes liable to pay the amount, our Company and every Director of our Company who are officers in default, shall pay interest at the rate of 15% per annum. Subject to applicable law, the Selling

Shareholders shall not be responsible to pay interest for any delay, unless such delay has been caused solely and directly on account of an act or omission by such Selling Shareholder, in which case such liability shall be on a several and not joint basis.

The requirement for minimum subscription is not applicable to the Offer for Sale.

Subject to compliance with Rule 19(2)(b) of the SCRR, the Parties agree that under-subscription, if any, in any category except the QIB Portion (post Allocation to Anchor Investors), would be allowed to be met with spill-over from any other category or combination of categories pursuant to discussion with the Designated Stock Exchange, and Allotment will be in the following order: (a) such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed; (b) next, such number of Offered Shares offered by the Investor Selling Shareholders will be Allotted, in the same pro rata proportion as the Equity Shares offered by such Investor Selling Shareholders, that would result in the post-Offer aggregate shareholding of Investor Selling Shareholders to be not more than 24.9%, on a fully diluted basis; (c) once the Equity Shares have been Allotted as per (a) and (b) above, such number of Offered Shares offered by each of the Promoter Selling Shareholders, will be Allotted amongst each of the Promoter Selling Shareholders, in the same pro rata proportion as the Equity Shares offered by such Promoter Selling Shareholders, in the Offer for Sale; and (d) finally, the balance 10% of the Fresh Issue portion will be Allotted.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Under-subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange.

Arrangement for disposal of odd lots

Since the Equity Shares will be traded in dematerialised form only and the market lot for the Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer of shares and transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, the Minimum Promoters' Contribution and the Anchor Investor lock-in in the Offer as detailed in "***Capital Structure***" on page 78, and except as provided in the Articles of Association as detailed in "***Main Provisions of the Articles of Association***" on page 343, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting.

OFFER STRUCTURE

The Offer of up to [●] Equity Shares of face value of ₹ 5 each for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to up to ₹ 1,500 million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ [●] million by our Company and an Offer of Sale of up to 10,305,180* Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholders.

**Includes equity shares to be issued pursuant to conversion of CCPS prior to the filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) and Regulation 8 of SEBI ICDR Regulations.*

The Offer comprises Employee Reservation Portion of up to [●] Equity Shares and a Net Offer of up to [●] Equity Shares. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid-up Equity Share capital of our Company. Our Company and Selling Shareholders, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 300 million prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

The face value of the Equity Shares is ₹5 each.

In terms of Rule 19(2) (b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations.

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Investors
Number of Equity Shares available for Allotment or allocation*(2)	Up to [●] Equity Shares	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RII	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment or allocation	Up to [●]% of the Offer	Not less than 75% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not more than 15% of the Offer or the Net Offer less allocation to QIB Bidders and RII will be available for allocation	Not more than 10% of the Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders will be available for allocation
Basis of Allotment if respective category is oversubscribed*	Proportionate; unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a	Proportionate as follows (excluding the Anchor Investor Portion): a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate	The allotment to each RII shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For

Particulars	Eligible Employees#	QIBs[1]	Non-Institutional Bidders	Retail Individual Investors
	proportionate basis, to Eligible Employees Bidding in the Employee Reservation Portion for value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000.	b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above c) Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		further details, see '*Offer Procedure*' on page 323
Mode of Bid	ASBA only (including the UPI Mechanism)	Through ASBA Process only (except in case of Anchor Investors)		
Minimum Bid	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so as to ensure that the Bid Amount by each Eligible Employee does not exceed ₹500,000.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter For Retail Individual Investors, [●] Equity Shares and in multiples of one Equity Share thereafter, subject to availability in the Retail Portion			
Trading Lot	One Equity Share			
Who can apply[3]	Eligible Employees	Public financial institutions as defined in the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta)

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Investors
		FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 250 million, pension funds with minimum corpus of ₹ 250 million, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and NBFC-SI		
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism (only for Retail Individual Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form (4)			

* *Assuming full subscription in the Offer.*

\# *Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. An Eligible Employee Bidding in the Employee Reservation Portion (subject to Bid Amount being up to ₹200,000) can also Bid in the Retail Portion, and such Bids shall not be considered multiple Bids. However, Bids by Eligible Employees Bidding in the Employee Reservation Portion and in the Non Institutional Portion shall be treated as multiple Bids. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.*

(1) *Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see 'Offer Procedure' on page* 323.

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(2) of the SEBI ICDR Regulations.*

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor pay-in date as indicated in the CAN.*

Employee Discount

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the Fresh Issue and the Selling Shareholders, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholders, in consultation with the BRLMs withdraw the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under applicable law; and (ii) filing of the Prospectus with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular has come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days.*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company, the respective Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus and the Red Herring Prospects. Bidders are advised to make their independent investigations and ensure that *their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.*

Book Building Procedure

The Offer is being made through the Book Building Process in compliance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Furthermore, up to [●] Equity Shares, aggregating up to ₹ [●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

In accordance with Rule 19(2)(b) of the SCRR, the Offer and Net Offer will constitute at least [●]% and [●]%, respectively, of the post Offer paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for RIIs Bidding through the UPI Mechanism and Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism), as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia* equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated

Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening DateAll SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Investors using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date. Copies of the Anchor Investor Application Form will be available with the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors^^	[●]
Eligible Employees Bidding in the Employee Reservation Portion#	[●]

Excluding the electronic Bid cum Application Form

^*Electronic Bid cum Application Form will be made available for download on the website of the BSE (*www.bseindia.com*) and NSE (www.nseindia.com)*

^^*Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.*

#Bid cum Application Forms for Eligible Employees shall be available at the Registered and Corporate Office of our Company.

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIIs using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

In case of ASBA forms, the relevant Designated Intermediaries shall capture and upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

For RIIs Bidding using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs, for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIIs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the

Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, RIIs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For ASBA Forms (other than RIIs Bidding using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A), in accordance with Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws.

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

Participation by Promoter and members of Promoter Group of the Company, the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs) nor; (ii) any "person related to the Promoter/ Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), or FCNR Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB confirm or accept the UPI mandate request (in case of RIIs using the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation by Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For details of restrictions on investment by NRIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 341.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows:

"Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;

- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 ("**SEBI VCF Regulations**") as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications. Bidders are advised to refer to the Banking Regulation Act, 1949, as ameded and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended for specific investment limits applicable to them.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250.00 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and Selling Shareholders in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and Selling Shareholders in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100.00 million.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company and the Selling Shareholders, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million;

    (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and

    (iii) in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) shall apply in the Offer under the Anchor Investor Portion. For details, see "- ***Participation by the BRLMs, the Syndicate Members and their associates and affiliates***" on page 327.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the NBFC-SI, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that the Bid does not exceed ₹500,000.

However, Allotments to Eligible Employees in excess of ₹ 200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour form).

(b) The Bidder should be an Eligible Employee as defined. In case of joint bids, the first Bidder shall be an Eligible Employee.

(c) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.

(d) Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any would be considered for Allotment under this category.

(e) Eligible Employees can apply at Cut-off Price.

(f) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(g) Eligible Employees bidding in the Employee Reservation Portion shall not Bid through the UPI mechanism.

(h) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

Please note that any individuals who are directors, employees or promoters of (a) the BRLMs, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such BRLMs, Registrar to the Offer or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;

6. RIIs Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

8. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

9. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original

Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

14. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

18. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and PAN available in the Depository database;

19. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http:// www.sebi.gov.in);

20. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of RIIs Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

21. Ensure that the Demographic Details are updated, true and correct in all respects;

22. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

23. Bidders (except RIIs Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIIs, once the Sponsor Bank issues the Mandate Request, the RIIs would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely

manner;

24. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a RII Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RII Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

25. RIIs bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

26. RIIs using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

27. Ensure that the PAN is linked with Aadhaar and is in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

28. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are recategorised as Category II FPI and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer; and

29. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don’ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not a RII;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Investors and ₹ 500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account;

11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than RIIs using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. If you are RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

19. Anchor Investors should not bid through the ASBA process;

20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;

21. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

22. Do not submit the GIR number instead of the PAN;

23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Investors can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RII and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, details if you are a RII Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIIs using the UPI Mechanism;

31. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected; and

32. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIIs Bidding using the UPI Mechanism.

33. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the BRLMs pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information – Book Running Lead Managers*" on page 71.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "***General Information***" on page 69.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchanges, along with the BRLMs and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Net Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RII shall not be less than the minimum bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Account

Our Company and the Selling Shareholders, in consultation with the BRLMs will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in [●] edition of [●] (a widely circulated English national daily newspaper), [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka).

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the respective Selling Shareholders, and the BRLMs are not liable for any amendments or modification or

changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, the Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5.00 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date or within such other time period prescribed by SEBI will be taken;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- if Allotment is not made within the prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of

refund;

- that if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;

- that if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer;

- Except for (i) issuance of Equity Shares pursuant to exercise of options granted under the ESOP Plan (ii) allotment of equity Shares pursuant to conversion of CCPS and (iii) Pre-IPO Placement, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc; and

- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

Undertakings by the Selling Shareholders

Each Selling Shareholder, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself and its respective portion of the Offered Shares:

(i) it is the legal and beneficial holder and has full title to its respective portion of the Offered Shares;

(ii) its respective portion of the Offered Shares are fully paid and are in dematerialized form;

(iii) its respective portion of the Offered Shares are free and clear of any encumbrances and shall be transferred to the Bidders within the time specified under applicable law; and

(iv) it shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from all the Stock Exchanges in accordance with applicable law.

The statements and undertakings provided above, in relation to the Selling Shareholders, are statements which are specifically confirmed or undertaken, severally and not jointly, by each Selling Shareholder in relation to itself and its respective portion of the Offered Shares. All other statements or undertakings or both in this Draft Red Herring Prospectus in relation to the Selling Shareholders, shall be statements made by our Company, even if the same relate to the Selling Shareholders.

Utilisation of Offer Proceeds

Our Board certifies that:

(i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries/departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the Consolidated FDI Policy, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

We are, and after the Offer will remain, a "foreign owned and controlled" company in accordance with the Consolidated FDI Policy and FEMA Rules. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. While we do not currently have any subsidiaries, we may acquire business in the future that may be engaged in business sectors which fall under the Approval Route, or where foreign investment is subject to sectoral conditionalities. In terms of the FDI Policy, if our Company acquires any such companies, any investment in such companies will be subject to restrictions on foreign investments under the FDI Policy.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Offer Procedure - Bids by Eligible NRIs***" and "***Offer Procedure - Bids by FPIs***" on page 328 and 329, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

For further details, see "***Offer Procedure***" on page 323.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in accordance with Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the

term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

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

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below.

*The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the commencement of the listing of equity shares ("**Equity Shares**") of the Company pursuant to its initial public offering (the "**Offer**"). In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. All provisions of Part B shall automatically terminate and cease to have any force and effect from the date of commencement of trading of Equity Shares of the Company on a recognized stock exchange in India pursuant to the Offer and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.*

PART A

PRELIMINARY

TABLE 'F' EXCLUDED

1. Unless the context otherwise requires, words or expressions contained in these Articles and not defined herein shall bear the same meaning as in the Act. Regulations contained in Table "F" of Schedule I of the Act shall apply to the Company so far as they are not inconsistent with or repugnant to any of the regulations contained in these Articles.

2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in these Articles.

1. DEFINITIONS

1.1 In these regulations –

(a) "**Act**" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable;

(b) "**Annual General Meeting**" means the annual general meeting of the Company convened and held in accordance with the Act;

(c) "**Articles of Association**" or "**Articles**" mean these articles of association of the Company, as may be altered from time to time in accordance with the Act;

(d) "**Board**" or "**Board of Directors**" means the board of directors of the Company in office at applicable times;

(e) "**Company**" means India1 Payments Limited, a company incorporated under the laws of India;

(f) "**Depository**" means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;

(g) "**Director**" shall mean any director of the Company, including independent directors and nominee directors appointed in accordance with and the provisions of these Articles;

(h) "**Equity Shares**" or "**Shares**" shall mean the issued, subscribed and fully paid-up equity shares of the Company of Rs. 5 (Rupees Five only) each;

(i) "**Exchange**" shall mean BSE Limited and the National Stock Exchange of India Limited;

(j) "**Extraordinary General Meeting**" means an extraordinary general meeting of the Company convened and held in accordance with the Act;

(k) "**General Meeting**" means any duly convened meeting of the shareholders of the Company and any adjournments thereof;

(l) "**IDBI Trustee**" means IDBI Trusteeship Services Limited, a company incorporated in India under the Companies Act, 1956 having its registered office at Asian Building, 17, R Kamani Marg, Ballard Estate, Mumbai 400 001;

(m) "**Investors**" shall mean: (i) IDBI Trustee, in its capacity as trustee of INDIA ADVANTAGE FUND-S3 I, acting through its investment manager ICICI Venture Funds Management Company Limited; (ii) IDBI Trustee, in its capacity as the trustee of India Advantage Fund S4 I, acting through its investment manager ICICI Venture Funds Management Company Limited; and (iii) Dynamic India Fund S4 US I, a company incorporated under the laws of Mauritius, having its registered office at IFS Court, Bank Street, Twenty Eight, Cybercity, Eben, 72201, Mauritius;

(n) "**Investor Director**" shall have the meaning assigned to such term in Article 18.2;

(o) "**IPO**" means the initial public offering of the Equity Shares of the Company;

(p) "**Member**" means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

(q) "**Memorandum**" or "**Memorandum of Association**" means the memorandum of association of the Company, as may be altered from time to time;

(r) "**Office**" means the registered office, for the time being, of the Company;

(s) "**Officer**" shall have the meaning assigned thereto by the Act;

(t) "**Ordinary Resolution**" shall have the meaning assigned thereto by the Act;

(u) "**Register of Members**" means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;

(v) "**Special Resolution**" shall have the meaning assigned thereto by the Act; and

(w) "**Trading Date**" shall have the meaning assigned to such term in Article 18.2.

1.2 Except where the context requires otherwise, these Articles will be interpreted as follows:

(a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles;

(b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;

(c) words importing the singular shall include the plural and vice versa;

(d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;

(e) the expressions "hereof", "herein" and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;

(f) the ejusdem generis (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, include and including will be read without limitation;

(g) any reference to a person includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person's executors, administrators, heirs, legal representatives and permitted successors and assigns;

(h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;

(i) references made to any provision of the Act shall be construed as meaning and including the references to the Companies Act, 2013 and the rules and regulations notified in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified;

(j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:

   (i) that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and

   (ii) any subordinate legislation or regulation made under the relevant statute or statutory provision;

(k) references to writing include any mode of reproducing words in a legible and non-transitory form; and

(l) references to ₹, Rupees, Rs. and INR are references to the lawful currency of India.

2. SHARE CAPITAL AND VARIATION OF RIGHTS

2.1 The authorized share capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company.

SHARES AT THE DISPOSAL OF THE DIRECTORS

2.2 Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such time as they may from time to time think fit, and with the approval of the Company in a General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors deem fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the approval of the Company in the General Meeting.

SHARE CERTIFICATES

LIMITATION OF TIME FOR ISSUE OF CERTIFICATES

2.3 (i) Unless the shares have been issued in dematerialized form in terms of applicable laws, every person whose name is entered as a Member in the Register of Members shall be entitled to receive within 2 (two) months from the date of the allotment or within 1 (one) month after the application for the registration of transfer, sub-division, consolidation, renewal or transmission or within such other period as the conditions of issue shall be provided, —

   (a) 1 (one) certificate for all his shares without payment of any charges; or

   (b) several certificates, each for one or more of his shares, upon payment of Rs. 20 (Rupees Twenty only) for each certificate after the first.

(ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by 2 (two) Directors or by a Director and the company secretary. In case the Company has a common seal, it shall be affixed in the presence of the persons required to sign the certificate.

(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(iv) Every certificate of shares shall be under the seal, if any, of the Company and shall specify the number and distinctive number of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may approve.

ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

2.4 (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of Rs. 20 (Rupees Twenty only) for each certificate. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under any other act or rules applicable in this behalf.

(ii) The provisions of Articles 2.3 and 2.4 shall mutatis mutandis apply to debentures of the Company.

COMPANY NOT BOUND TO RECOGNIZE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER

2.5 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

UNDERWRITING & BROKERAGE

COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

2.6 (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of Section 40 of the Act.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

2.7 (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these Articles relating to General Meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

2.8 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

2.9 Subject to the provisions of Section 55 of the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by Special Resolution, determine.

3. FURTHER ISSUE OF SHARE CAPITAL

3.1 Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules made thereunder:

(i) to the person(s) who, at the date of the offer, are holders of the Equity Shares, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at that date by sending a letter of offer subject to the following conditions, namely:

(a) such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days or such lesser number of days as may be prescribed under law and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(b) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice as aforesaid shall contain a statement of this right: provided that the Directors may decline, without assigning any reason for refusal, to allot any shares to any person in whose favour any Member may renounce the shares offered to him; and

(c) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner and to such person(s) as they may think fit in their sole discretion; or

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable laws; or

(iii) to any person(s), whether or not those persons include the persons referred to in the clauses (i) and (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, if required under the Act and the rules made thereunder, if a Special Resolution to this effect is passed by the Company in a General Meeting. Provided that after the listing of the Company, the price of shares to be issued on a preferential basis under this sub-clause shall not be required to be determined by the valuation report of a registered valuer, unless otherwise is prescribed under applicable law.

3.2 The notice referred to in sub-clause (a) of clause (i) of Article 3.1 shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least 3 (three) days before the opening of the issue or such other timeline as may be prescribed under applicable law.

3.3 Nothing in sub-clause (a) and (b) of clause (i) Article 3.1 above shall be deemed:

(a) to extend the time within which the offer should be accepted; or

(b) to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

3.4 Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the company (whether such option is conferred in these Articles or otherwise): provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

3.5 Notwithstanding anything contained in Article 3.4 above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within 60 (sixty) days from the date of communication of such order or such other timeline as may be prescribed under applicable law, appeal to the National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

3.6 In determining the terms and conditions of conversion under Article 3.5, the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

3.7 Where the Government has, by an order made under Article 3.5, directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the National Company Law Tribunal under Article 3.5 or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

4. TERM OF ISSUE OF DEBENTURES

4.1 Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution and subject to the provisions of the Act.

5. LIEN

5.1 (i) The Company shall have a first and paramount lien—

(a) on every share/ debenture (not being a fully paid share/ debenture) and upon proceeds of sale thereof, for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/ debenture; and

(b) on all shares/ debentures (not being fully paid shares/ debentures) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company.

No equitable interest in any share or debenture shall be created except upon the footing and condition that this Article will have full effect. Provided that fully paid up shares shall be free from all liens and in respect of any partly paid shares/ debentures of the Company, the lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares/ debentures.

Provided that the Board of Directors may at any time declare any share/ debenture to be wholly or in part exempt from the provisions of this clause. Unless otherwise agreed, the registration of a transfer of shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures.

(ii) The Company's lien, if any, on a share/ debenture shall extend to all dividends payable and bonuses declared from time to time in respect of such shares/ debentures.

5.2 The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien.

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

5.3 (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

5.4 (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

6. CALLS ON SHARES

6.1 (i) The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: provided that no call shall exceed one-fourth of the nominal value of the share (or such other per cent prescribed under applicable law) or be payable at less than 1 (one) month or such other period prescribed under applicable law from the date fixed for the payment of the past preceding call.

(ii) Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

6.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

6.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

6.4 (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 10% (ten per cent) per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

6.5 (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

6.6 The Board—

(a) may, if it thinks fit and subject to the provisions of the Act, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him beyond the sums actually called for; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, 12% (twelve per cent) per annum, as may be agreed upon between the Board and the Member paying the sum in advance provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to any calls on debentures.

7. TRANSFER OF SHARES

7.1 (i) The Company shall use a common form of transfer. The instrument of transfer shall be in writing and all provisions of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and the registration thereof.

(ii) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

(iv) Subject to applicable law, the Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s). Provided that the Board and/or the delegated authority shall attend to the formalities pertaining to transfer of securities at least once in a fortnight and the delegated authority shall report on transfer of securities to the Board in each meeting.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

7.2 Subject to the provisions of the Act, these Articles and any other applicable provisions of any other law for the time being in force, the Board may, by giving reasons, refuse whether in pursuance of any power of the Company under these Articles, applicable law or otherwise, to register the transfer of any shares of the Company and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a Member of the Company. The Company shall within 1 (one) month (or such other period prescribed under applicable law) from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided further that the registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Subject to these Articles, the Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien.

7.3 The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56 of the Act;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only 1 (one) class of shares.

7.4 No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

7.5 On giving not less than 7 (seven) days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty-five) days in the aggregate in any year.

7.6 Transfer of shares/debentures in whatever lot shall not be refused.

8. TRANSMISSION OF SHARES

8.1 (i) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

8.2 (i) Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent Member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.

8.3 (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

8.4 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

9. FORFEITURE OF SHARES

9.1 If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

9.2 The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

9.3 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

9.4 (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

9.5 (i) A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

9.6 (i) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

9.7 The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

9.8 The Company may, from time to time, by Ordinary Resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

9.9 Subject to the provisions of Section 61 of the Act, the Company may, by Ordinary Resolution, —

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

9.10 Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

9.11 The Company may, by Special Resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

10. CAPITALISATION OF PROFITS

10.1 (i) The Company in General Meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such Members respectively;

(b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

10.2 (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such Members.

11. BUY-BACK OF SHARES

11.1 Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

12. BORROWING POWERS

12.1 The Board may, from time to time, subject to the provisions of Sections 73 and 179 of the Act and rules therein, raise or borrow any sums of money for and on behalf of the Company from the Members or from other persons, companies or banks. Directors may also advance monies to the Company on such terms and conditions as may be approved by the Board.

12.2 The Board may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit.

13. GENERAL MEETINGS

13.1 An Annual General Meeting shall be held in each calendar year within 6 (six) months following the end of the previous financial year of the Company or such other period prescribed under applicable law. The Board of Directors shall issue the notice of Annual General Meeting together with the annual financial statement, auditors report and other annexures as required under the Act to all shareholders of the Company and others entitled to receive such notice at least 21 (twenty-one) clear days before the Annual General Meeting is held to approve and adopt the audited financial statements.

13.2 All General Meetings other than Annual General Meeting shall be called Extraordinary General Meeting.

13.3 The Board may, whenever it thinks fit, call an Extraordinary General Meeting.

13.4 Annual General Meetings and Extraordinary General Meetings may be called after giving shorter notice as per the Act.

13.5 If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any 2 (two) Members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

14. PROCEEDINGS AT GENERAL MEETINGS

14.1 No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.

14.2 Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.

14.3 The chairperson, if any, of the Board shall preside as chairperson at every General Meeting of the company.

14.4 If there is no such chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the Directors present shall elect 1 (one) of their Members to be chairperson of the meeting.

14.5 If at any meeting no Director is willing to act as chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose 1 (one) of their Members to be chairperson of the meeting.

15. ADJOURNMENT OF MEETING

15.1 (i) The chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

16. VOTING RIGHTS

16.1 Subject to any rights or restrictions for the time being attached to any class or classes of shares—

(a) on a show of hands, every Member present in person shall have 1 (one) vote; and

(b) on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.

16.2 A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

16.3 (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

16.4 A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

16.5 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

16.6 No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

16.7 (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

17. PROXY

17.1 The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the Office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

17.2 An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.

17.3 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

18. BOARD OF DIRECTORS

18.1 Unless otherwise determined by General Meeting, the number of Directors shall not be less than 3 (three) and not more than 15 (fifteen).

Provided that the Company may appoint more than 15 (fifteen) Directors after passing a Special Resolution.

18.2 Upon commencement of trading of the Equity Shares on the BSE Limited and/or the National Stock Exchange of India Limited, whichever is later ("**Trading Date**"), subject to Applicable Laws and the approval of the shareholders of the Company by way of a Special Resolution in the first General Meeting convened after the Trading Date, so long as each of the Investors or corporate Promoters hold at least 10% (ten per cent) of the share capital of the Company (on a fully diluted basis), they shall each have the right to nominate 1 (one) nominee Director to the Board of the Company. It is hereby clarified that if the holding of any of the Investors or corporate Promoters in share capital of the Company (on a fully diluted basis) goes below 10% (ten per cent), such nomination rights will be extinguished forever with respect to such Investor or corporate Promoter, whose shareholding goes below 10% (ten per cent).

18.3 (i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or General Meetings of the Company; or

(b) in connection with the business of the Company.

18.4 The Board may pay all expenses incurred in getting up and registering the Company.

18.5 The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

18.6 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

18.7 Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

18.8 (i) Subject to the provisions of Section 161 of the Act, the Board, Directors, as applicable, shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the additional directors along with Directors appointed together shall not at any time exceed the maximum strength fixed for the Board by these Articles.

(ii) An additional director shall hold office only up to the date of the next annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

19. PROCEEDINGS OF THE BOARD

19.1 (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

19.2 (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.

19.3 The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.

19.4 (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such chairperson is elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose 1 (one) of their number to be chairperson of the meeting.

19.5 (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

19.6 (i) A committee may elect a chairperson of its meetings.

(ii) If no such chairperson is elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose 1 (one) of their members to be chairperson of the meeting.

19.7 (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.

19.8 All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

19.9 Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

20. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

20.1 Subject to the provisions of the Act:

(i) a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) a Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

20.2 A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

21. DIVIDENDS AND RESERVE

21.1 The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

21.2 Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

21.3 (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

21.4 (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

21.5 The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

21.6 (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

21.7 Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

21.8 Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

21.9 Where a dividend has been declared by the Company but has not been paid or claimed within 30 (thirty) days from the date of the declaration to any shareholder entitled to the payment of the dividend, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend Account".

21.10 Any money transferred to the "Unpaid Dividend Account" of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund established under sub-section (1) of Section 125 of the Act.

21.11 No unclaimed or unpaid dividend shall be forfeited by the Board before it becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

21.12 No dividend shall bear interest against the Company.

22. ACCOUNTS

22.1 (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members not being Directors.

(ii) No Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

23. WINDING UP

23.1 Subject to the provisions of Chapter XX of the Act and Insolvency and Bankruptcy Code, 2016 (to the extent applicable) and rules made thereunder—

(i) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

24. INDEMNITY

24.1 Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings relating to acts or omissions by or on behalf of the Company, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the National Company Law Tribunal.

25. GENERAL POWER

25.1 Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

25.2 At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**"), the provisions of the Act and the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Act and the Listing Regulations, from time to time.

Part B of the Articles of Association provide for, among other things, the rights of certain shareholders pursuant to the SHA. For more details on the Shareholders' Agreement, see "*History and Certain Corporate Matters – Other Material Agreements*" on page 181.

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus filed with the Registrar of Companies, and also the documents for inspection referred to hereunder may be inspected at the Registered and Corporate Office, from 10.00 a.m. to 5.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

Material contracts to the Offer

1. Offer Agreement dated September 7, 2021, entered into among our Company, the Selling Shareholders and the Book Running Lead Managers.

2. Registrar Agreement dated September 7, 2021 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Monitoring Agency Agreement dated [●], entered into between our Company and the Monitoring Agency.

4. Cash Escrow and Sponsor Bank Agreement dated [●], entered into among our Company, the Selling Shareholders, the Book Running Lead Managers, the Bankers to the Offer, and the Registrar to the Offer.

5. Share Escrow Agreement dated [●], entered into among our Company, the Selling Shareholders, and the Share Escrow Agent.

6. Syndicate Agreement dated [●], entered into among our Company, the Selling Shareholders, the Book Running Lead Managers and Syndicate Members.

7. Underwriting Agreement dated [●], entered into among our Company, the Selling Shareholders, the Book Running Lead Managers, Registrar to the Offer and Syndicate Members.

Material documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended until date.

2. Certificate of incorporation dated June 13, 2006 issued by Registrar of Companies, Maharashtra, Mumbai.

3. Certificate of registration of the Company Law Board order for change of state dated August 8, 2009 issued to our Company by the RoC.

4. Fresh certificate of incorporation dated February 18, 2013 issued by the RoC pursuant to a change in name from "*Banktech India Private Limited*" to "*BTI Payments Private Limited*.

5. Fresh certificate of incorporation dated August 25, 2021 issued by RoC pursuant to change in the name of our Company to "*India1 Payments Private Limited*" from "*BTI Payments Private Limited*".

6. Certificate of incorporation dated September 2, 2021 issued by the RoC pursuant to conversion of our Company to a public limited company.

7. Copies of the annual reports of the Company for Fiscals March 31, 2021, March 31, 2020 and March 31, 2019.

8. Resolution dated September 4, 2021 passed by the Shareholders with respect to appointment and remuneration of the Managing Director.

9. Resolution dated September 4, 2021 passed by the Board authorising the Fresh Issue and other related matters.

10. Resolution dated September 4, 2021 passed by the Shareholders authorising the Fresh Issue and other related matters.

11. Consent letters and authorisations from the Selling Shareholders, authorising their participation in the Offer. For further details, please see "*The Offer*" on page 61.

12. Investment and shareholders' agreement dated June 20, 2013, as amended from time to time entered into by and among (i) our Company, (ii) The Banktech Group, (iii) BTI Payments Singapore, (iv) IDBI Trusteeship Services Limited (in its capacity as a trustee of India Advantage Fund S3 I and India Advantage Fund S4 I), and (v) Dynamic India Fund S4 US I.

13. The ninth amendment agreement dated September 7, 2021 entered into by and among (i) our Company, (ii) The Banktech Group, (iii) BTI Payments Singapore, (iv) IDBI Trusteeship Services Limited (in its capacity as a trustee of India Advantage Fund S3 I and India Advantage Fund S4 I), and (v) Dynamic India Fund S4 US I

14. CCPS Subscription Agreement 1 dated December 15, 2016 entered into and among our Company, The Banktech Group and BTI Payments Singapore, with India Advantage Fund S3 I as the confirming party, as amended from time to time.

15. CCPS Subscription Agreement 2 dated August 19, 2019 entered into and among our Company, The Banktech Group, BTI Payments Singapore, India Advantage Fund S4 I, Dynamic India Fund S4 US I and India Advantage Fund S3 I, as amended from time to time.

16. Resolution dated September 4, 2021 passed by the Board, approving this Draft Red Herring Prospectus.

17. Report titled "*Assessment of ATM Industry in India*" released in September 2021 issued by CRISIL and consent letter dated September 3, 2021 from CRISIL.

18. The ESOP Plan and the ESOP Scheme.

19. Statement of possible special tax benefits dated September 3, 2021 from the Statutory Auditors included in this Draft Red Herring Prospectus.

20. The examination report dated September 3, 2021 of the Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants on the Restated Financial Statements.

21. The assurance report dated September 3, 2021 of the Statutory Auditors on the compilation of the Proforma Financial Statements.

22. Consents of the Book Running Lead Managers, the Registrar to the Offer, the bankers to our Company, the Indian legal counsel to the Company, the Indian legal counsel to the Promoter Selling Shareholders, the Indian legal counsel to the Investor Selling Shareholders, the Indian legal counsel to the Book Running Lead Managers, the international legal counsel to the Offer, the Directors, the Company Secretary and Compliance Officer and the Chief Financial Officer, the independent chartered accountants and the Bankers(s) to the Offer, to act in their respective capacities.

23. Consent of our Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants for inclusion of their name as experts, and in respect of their (i) examination report dated September 3, 2021 on our Restated Financial Statements; and (ii) report dated September 3, 2021 on statement of special tax benefits.

24. Consent letter dated September 3, 2021 from the independent project consultant, namely, Dun & Bradstreet Information Services India Private Limited ("*D&B-India*"), to include its name in this Draft Red Herring Prospectus to the extent with reference to the Cost Vetting Study dated September 3, 2021

provided by it, and certain details included in this Draft Red Herring Prospectus in relation to the objects of the Offer.

25. Cost Vetting Study Report issued by D&B-India dated September 3, 2021.

26. Tripartite agreement dated September 3, 2021, among our Company, NSDL and the Registrar to the Offer.

27. Tripartite agreement dated September 1, 2021, among our Company, CDSL and the Registrar to the Offer.

28. Due diligence certificate to SEBI from the Book Running Lead Managers dated September 7, 2021.

29. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

30. Final observations letter dated [●] issued by SEBI.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

R. Subramaniakumar
(Chairman and Independent Director)

Place: Mumbai

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

K Srinivas
(Managing Director and Chief Executive Officer)

Place: Bengaluru

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____
David Scott Glen
(Non-Executive Director)

Place: Sydney, Australia

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____
Peter Alexander Blackett
(Non-Executive Nominee Director)

Place: Sydney, Australia

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Nikhil Mohta
(Non-Executive Nominee Director)

Place: Mumbai

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Natrajan Ramkrishna
(Independent Director)

Place: Bengaluru

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____
Amrita Gangotra
(Independent Director)

Place: Noida

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____
Ruchita Taneja Aggarwal
(Independent Director)

Place: Gurugram

Date: September 7, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement, disclosures or undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sanjay Bajaj
(Chief Financial Officer)

Place: Bengaluru

Date: September 7, 2021

DECLARATION

We hereby confirm that all statements specifically made or confirmed by us and undertakings specifically provided by us in this Draft Red Herring Prospectus in relation to ourselves as a Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements including statements, disclosures or undertakings made by or in relation to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of The Banktech Group Pty Ltd

David Scott Glen
(Group Managing Director)

Place: Sydney, Australia

Date: September 7, 2021

DECLARATION

We hereby confirm that all statements specifically made or confirmed by us and undertakings specifically provided by us in this Draft Red Herring Prospectus in relation to ourselves as a Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements including statements, disclosures or undertakings made by or in relation to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of BTI Payments Singapore Pte. Ltd.

David Scott Glen
(Group Managing Director)

Place: Sydney, Australia

Date: September 7, 2021

DECLARATION

We hereby declare and certify that all statements made or confirmed by us and undertakings specifically provided by us in this Draft Red Herring Prospectus in relation to ourselves, as a Selling Shareholder and our portion of the Offered Shares, are true and correct. We, as a Selling Shareholder, assume no responsibility for any other statements including statements, disclosures or undertakings made by or in relation to the Company or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of India Advantage Fund S3 I (acting through ICICI Venture Funds Management Company Limited, as its investment manager)

Pooja Basu
Head, Legal & Compliance, ICICI Venture Funds Management Company Ltd.

Place: Mumbai

Date: September 7, 2021

DECLARATION

We hereby declare and certify that all statements made or confirmed by us and undertakings specifically provided by us in this Draft Red Herring Prospectus in relation to ourselves, as a Selling Shareholder and our portion of the Offered Shares, are true and correct. We, as a Selling Shareholder, assume no responsibility for any other statements including statements, disclosures or undertakings made by or in relation to the Company or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of India Advantage Fund S4 I (acting through ICICI Venture Funds Management Company Limited, as its investment manager)

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Pooja Basu
Head, Legal & Compliance, ICICI Venture Funds Management Company Ltd.

Place: Mumbai

Date: September 7, 2021

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For and on behalf of Dynamic India Fund S4 US I

Authorised Signatory
Thomaskutty Memana Vargese

Place: Mumbai

Date: September 7, 2021