



August 5, 2022

BSE Limited

Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

National Stock Exchange of India Limited

The Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai – 400 051

Scrip Code: 543396

Symbol: PAYTM

Sub.: Outcome of Board Meeting - Financial Results for the quarter ended June 30, 2022

Dear Sir/ Ma'am,

In continuation to our earlier letter dated July 25, 2022 and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform that the Board of Directors of the Company at their meeting held today i.e. August 5, 2022 have, *inter-alia*, considered and approved the unaudited standalone & consolidated financial results ("Financial Results") of the Company for the quarter ended June 30, 2022.

In compliance with regulation 30 of the Listing Regulations, we are enclosing herewith following for the quarter ended June 30, 2022:

- Earnings Release
- Financial Results
- Limited Review Reports

The Board meeting commenced at 7:30 p.m. (IST) and concluded at 8:30 p.m. (IST).

The aforesaid details will also be hosted on the Company's website viz. www.paytm.com.

Kindly take the same on record.

Thanking you

Yours Sincerely,
For **One 97 Communications Limited**


Amit Khara
Company Secretary & Compliance Officer



Encl. As Above



Earnings Release

for quarter ending
June 2022

Paytm

05 August 2022

Key Metrics for the quarter ending June 2022 (Q1 FY 2023)

Revenue from Operations

Main drivers were increase in subscription revenues due to growing number of payment devices, growth in bill payments due to growing MTUs, growth in disbursements of loans by our partners through our platform, and increase in Commerce revenues

₹1,680 Cr

▲ 89% growth YoY

Contribution profit

Improved to 43.2% of revenue in Q1 FY 2023 from 27.5% in Q1 FY 2022 and 35.0% in Q4 FY 2022, driven by growth in payments profitability, and faster growth of higher margin businesses such as loan distribution

₹726 Cr

▲ 197% growth YoY

EBITDA (Before ESOP cost)

Improvement of ₹93 Cr compared to Q4 FY 2022
Margin improved to (16%) of revenues from (37%) of revenues in Q1 FY 2022, despite continued investments in technology, sales and marketing

On track to achieve EBITDA (before ESOP cost) profitability by quarter ending September 2023

₹(275) Cr

▲ ₹57 Cr improvement YoY

Number of payments devices

Continued strong growth in device deployment, over 0.9 mn devices added in Q1 FY 2023

3.8 Mn

▲ 2.8 mn added YoY

Loans Disbursed through Paytm

Loan distribution business has scaled up significantly over the last 12 months, seeing increased adoption by users. Number of loans at 8.5 mn, grew 492% YoY, while value of loans grew 779% YoY to ₹5,554 Cr

₹5,554 Cr

▲ 779% growth YoY

Key Revenue Metrics

	Q1 FY 2023	YoY growth
Payments Services to Consumers Revenue from payments made by consumer on Paytm App <i>(Consumer pays platform fee for select use cases and merchants pay MDR)</i>	₹519 Cr	73%
Payments Services to Merchants Revenue for processing payment in merchant store or app or website and payments devices subscriptions <i>(Merchants pay MDR for cards, wallet, netbanking payments and subscription for devices. Government pays incentive for UPI P2M payments)</i>	₹557 Cr	67%
Financial Services & Others Revenue from Financial Services primarily loan distribution. Also, includes Paytm Money (wealth and equity trading) and other services	₹271 Cr	393%
Commerce and Cloud Services to Merchants Revenue from enabling commerce for merchants. Primarily offerings such as advertising, ticketing and deal vouchers	₹331 Cr	64%

Key operating metrics for loans disbursed through our platform

	Q1 FY 2023	YoY growth
Total Number of Loans Disbursed in Q1 Number of loans disbursed by our lending partners using our platform	8.5 Million	492%
Personal Loans (value of loans) Average ticket size ~ ₹100,000 and average tenure of 14 months	₹1,344 Cr	1,106%
Merchant Loans (value of loans) Average ticket size ~ ₹140,000 and average tenure of 12 months	₹827 Cr	1,031%
Paytm Postpaid (Buy-Now-Pay-Later) (value of loans) Consumption credit for purchases at over 11 mn offline and online merchants	₹3,383 Cr	656%

Business Update for quarter ending June 2022 (Q1 FY 2023)

Q1 FY 2023 marks an excellent start to the new fiscal year. Revenue growth was 89% YoY in the quarter, and combined with focus on unit economics, we increased contribution margins to 43% of revenues (from 35% in Q4 FY 2022). As a result, EBITDA (before ESOP costs) losses have reduced by ₹93 Cr since Q4 FY 2022 (quarter ending Mar'22). We are confident that with continued revenue growth, increasing mix of higher margin businesses such as loan distribution, and better operating leverage, we will reach operating profitability (EBITDA before ESOP cost) by September 2023.

Monetization sees continued momentum across businesses

Q1 FY 2023 revenue growth continued the momentum as past few quarters, increasing 89% YoY and 9% QoQ.

Payments revenue increased 69% YoY (3% QoQ) due to (a) continued growth in subscription (and MDR) revenues due to ramp-up of our devices business and (b) growth in bill payment use cases due to higher MTUs. Undertook account level rationalization among online merchants to focus on profitable GMV (revenue impact of ₹29 Cr). Further, there was no UPI incentive recorded¹ in this quarter.

Revenue in the Financial Services business was up nearly 4x YoY (increased 61% QoQ), and now accounts for 16% of total revenue (6% in Q1 FY 2022), driven by sourcing and collection revenues in our loan distribution business.

Commerce & Cloud revenues grew 64% YoY, with significant growth in Commerce revenues (168% YoY) due to higher ticketing sales on our platform for our travel merchants, on account of resurgent demand and seasonal strong quarter (driven by big movie releases) for our entertainment merchants.

Platform expansion driven by both consumers & merchants

Our average monthly transacting user (MTU) stood at 74.8 mn for the quarter, growing 49% YoY and 6% QoQ. Our merchant base has increased to 28.3 mn merchants who are leveraging our innovative product offerings such as Soundboxes, to help in their businesses. We think expansion of our devices business, which has reached a deployed base of 3.8 mn in Q1, will continue to drive higher payment volumes, subscription revenues and merchant loan distribution.

As a result of continued platform growth, GMV for the quarter stood at ₹3.0 Lakh Cr for the quarter, increasing 101% YoY. Growth in GMV from MDR-bearing instruments (such as Cards, Wallets, Net-banking and Paytm Postpaid), was 52% QoQ. UPI merchant payments (which are free for the merchant) have become revenue-generating given the government is encouraging digital payments in the form of incentives for UPI P2M transactions. UPI helps us with efficient customer and merchant acquisition and allows us to better monetize our platform by upselling financial services as well as payments devices. We therefore believe, Non-UPI GMV (or GMV from MDR-bearing instruments) is not a relevant metric to focus on going forward. Instead, we drive overall revenue growth, net payments margin and other profitability metrics, while prioritizing resource allocation to Payments Services & Loan Distribution businesses. We are able to monetize transactions through all payment instruments. Customers pay platform fee for certain use cases. Merchants pay MDR on card, netbanking and wallet payments, subscription revenues on payment devices and the Government pays incentives for UPI P2M payments.

¹Although government incentives on UPI P2M transactions are announced in annual budget, we will record revenues after the final notification is issued by MEITY. Hence, we recorded nil revenues this quarter.

Firmly on path towards achieving operating profitability on back of better cost leverage

Net payments margin for the quarter (defined as payments revenue less payment processing cost) has increased to 35% of payments revenue, compared to 17% in Q1 FY 2022 driven by (a) continued growth in device subscription revenues, (b) improved margins in online merchants business, and (c) better negotiations with existing partners leading to reduction in payment processing charges. We view this as a significant improvement, despite no UPI incentives recorded¹ this quarter. We have redoubled our focus on driving profitable payments business, across UPI, wallet, cards, and other instruments.

Loan Distribution - huge growth opportunity and an attractive profit pool

Total loans disbursed, in partnership with our lending partners were 8.5 mn in the quarter, amounting to ₹5,554 Cr, a growth of 56% QoQ and 779% YoY (in value terms). Disbursements in our loan distribution business are annualizing at a run-rate of about ₹24,000 Cr, and we believe there is ample opportunity for upsell in this business, while being conservative on the quality of the book (especially given the possibility of macro headwinds).

- Paytm Postpaid grew 29% QoQ in terms of volume, resulting in disbursements of ₹3,383 Cr (55% QoQ) as an increasing number of customers chose to opt for the convenience it offers. In fact, Paytm Postpaid is now accepted at more than 11 mn merchants, both online and offline, arguably transforming into one of the most widely accepted forms of credit
- Personal loans grew 44% QoQ in terms of volume, with disbursements amounting to ₹1,344 Cr (67% QoQ). Our Paytm Postpaid business is an attractive funnel for upsell into Personal loans, and more than 50% of the disbursements in this quarter were made to existing Postpaid users
- Similarly, the Merchant Loans vertical witnessed healthy growth of 56% QoQ in terms of volume, translating into disbursements of ₹827 Cr for the quarter (46% QoQ). This is further boosted by growth in our devices business, as 75% of loans disbursed in the quarter were to merchants who also have Paytm devices. More than 45% of loans were disbursed to merchants having taken a loan more than once

Committed to building a profitable company & create shareholder value, while driving digitization & inclusive financial access

We remain focused on playing a pivotal role in India's ongoing technology revolution, wherein everyone from consumers to businesses is adopting technology at a rapid scale. The government's and regulators' support in pushing for digitization has been a great enabler of this process. With the evolving regulatory environment, we are constantly evaluating our systems, processes & management depth, in order to follow the letter and spirit of all regulations.

Earlier this year, we had shared that we would achieve operating profitability (i.e EBITDA before ESOP cost) by September 2023, driven by better monetization as well as moderating growth in costs. Q1 FY 2023 results exhibit our strategy is well-in-place, with focused improvement on unit economics, better expense management and increasing mix of higher margin businesses (such as financial services & commerce) steering us on the path to profitability.

¹Although government incentives on UPI P2M transactions are announced in annual budget, we will record revenues after the final notification is issued by MEITY. Hence, we recorded nil revenues this quarter.

Financial Update for quarter ending June 2022 (Q1 FY 2023)

Acceleration in monetization driving revenue growth

In Q1 FY 2023, our revenue was ₹1,680 Cr, an increase of 89% YoY.

On a QoQ basis, revenues grew 9%, driven by new device subscriptions, utility bill payments, ticketing, and loan disbursements. We undertook account level rationalization among online merchants to focus on profitable GMV (revenue impact of ₹29 Cr). It is also worth noting that in the quarter, there were certain offsetting factors: a) we did not record any government incentives on UPI transactions and b) there was pressure on advertising revenues due to macroeconomic factors.

Payment Services

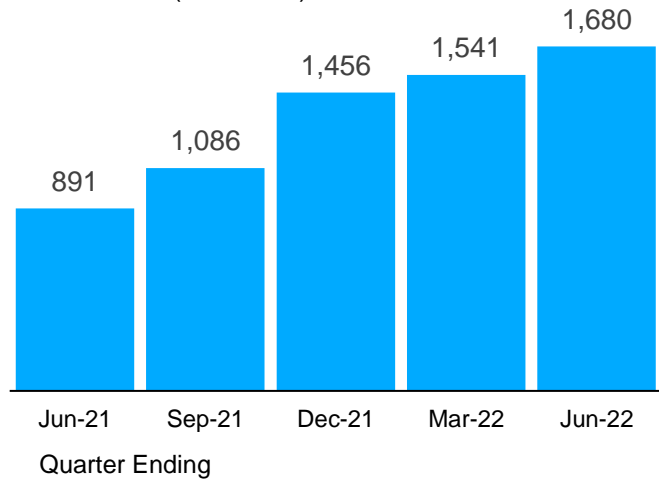
Payment services are at the core of our business model and support the acquisition and retention of customers and merchants in a cost-efficient manner.

In Q1 FY 2023, our GMV at ₹3.0 Lakh Cr grew by 101% YoY as we sustained growth in our monthly transacting users (MTU), which at 74.8 mn grew by 49% YoY, driven by customer acquisition through UPI and expansion of our registered merchant base which at 28.3 mn (increase of 6.5 mn compared to 21.8 mn in Q1 FY 2022)

GMV from MDR bearing instruments has grown 52% YoY. Government incentives have now also made UPI P2M GMV economically viable. We are therefore able to monetize transactions through all payment instruments. We also earn platform fee and convenience fee from customers in certain use cases, MDR on card, netbanking and wallet transactions from merchants and subscription revenues on payment devices.

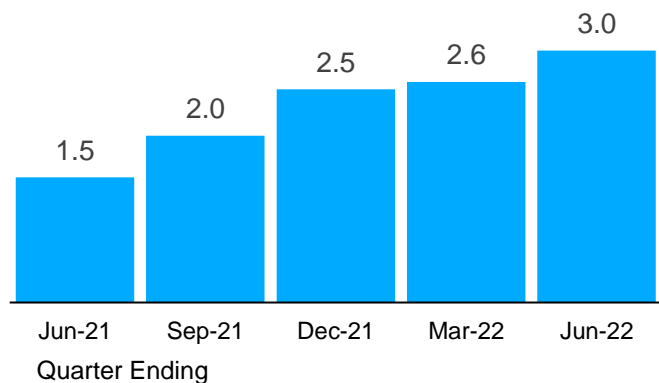
Revenue from Operations

▲ 89% YoY (in ₹ Crore)



GMV

▲ 101% YoY (in ₹ Lakh Crore)



Payment Services to Consumers

Payment Services to Consumers includes revenues from the use cases such as bill payments and top-ups on the Paytm app. Consumer pays platform fee for select use cases and merchants pay MDR.

In Q1 FY 2023, revenue grew by 73% YoY and 11% QoQ to ₹519 Cr as we continue to grow the user base on our app for bill payments and other use cases.

Payment Services to Merchants

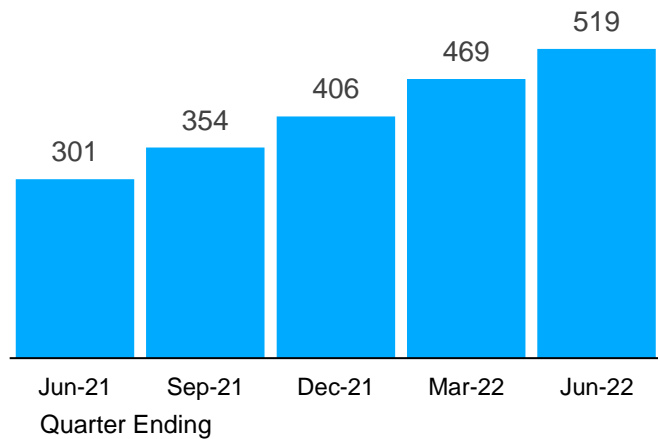
Payment Services to Merchants includes revenues from our comprehensive offerings of online and in-store payment acceptance services. Merchants pay MDR for cards, wallet, netbanking payments and subscription for devices. Government pays incentive for UPI P2M payments.

In Q1 FY 2023, our Revenue from Payment Services to Merchants grew by 67% YoY to ₹557 Cr, driven by the strong growth of MDR-bearing instruments GMV, and subscription revenues from our payments devices, with over 2.8 mn devices added in the last 12 months taking our total deployed base to 3.8 mn by the end of Q1 FY 2023. Our revenue contracted marginally by 3% on a QoQ basis, primarily as we undertook account level rationalization among online merchants to focus on profitable GMV (revenue impact of ₹29 Cr). Although government incentives are announced in annual budget, we will record revenues after the final notification has been issued by MEITY. Hence, we recorded nil UPI revenues this quarter.

In terms of profitability, the drop in revenues was more than offset by the growth in our subscription revenues from payment devices and significant rate reductions in payment processing charges. This has helped our net payments margin, as a % of payment services revenue, to grow from 17% to 35% YoY. Net payments margin is defined as net payments revenue (i.e, payments revenue less payment processing charges), as a % of total payments revenue.

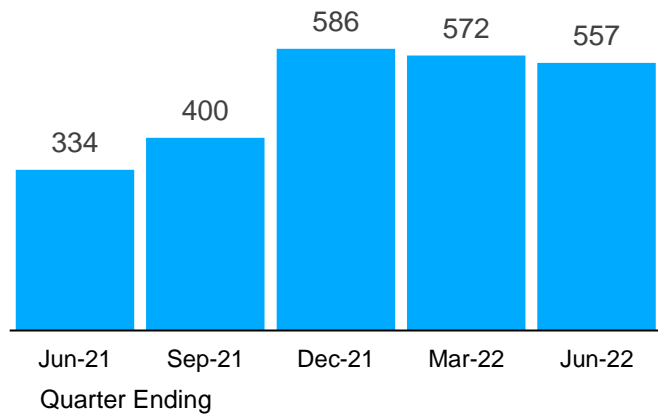
Revenue: Payment Services to Consumers

▲ 73% YoY (in ₹ Crore)



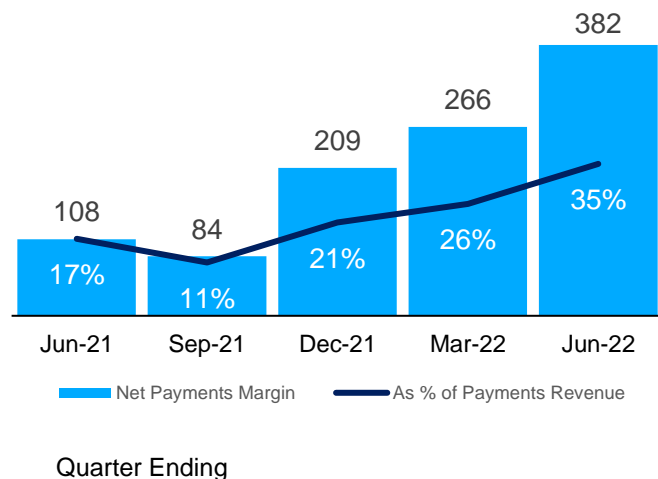
Revenue: Payment Services to Merchants

▲ 67% YoY (in ₹ Crore)



Net Payments Margin

▲ 253% YoY (in ₹ Crore)



Offline Payment Services to Merchants

We continued strong growth in payments device deployment with over 0.9 mn devices added in the Q1 FY 2023, despite being conservative about the quality of merchants onboarded. Device merchants accounted for over 75% of merchant loan disburseals.

Financial Services and Others

Financial Services and Others include revenues that we make from our financial services partners or consumers from our financial services offerings, primarily loan distribution.

In Q1 FY 2023, revenue from Financial Services and Others grew 393% YoY to ₹271 Cr and accounts for 16% of total revenues, up from 6% in Q1 FY 2022. The growth in revenue was primarily driven by 779% YoY growth in the value of loans disbursed. The QoQ growth in revenue was 61%, driven by an increase in Postpaid and Personal Loans disbursements.

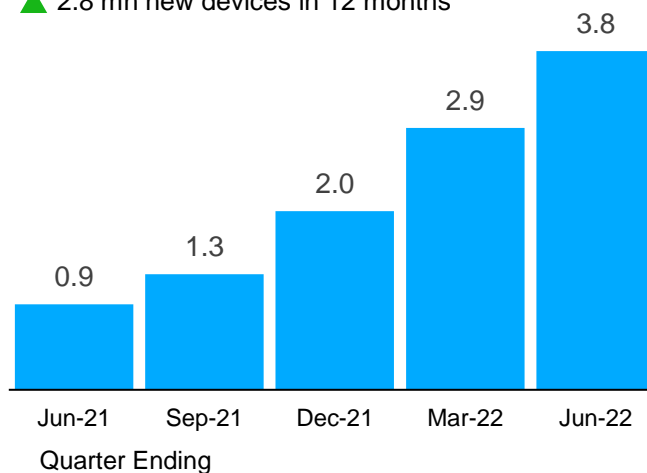
Loan Distribution

In Q1 FY 2023, the number of loans disbursed through our platform grew to 8.5 mn, representing a growth of 492% YoY and 30% QoQ. The value of loans disbursed grew to ₹5,554 Cr, a growth of 779% YoY and 56% QoQ, thus highlighting increase in average value of loans disbursed. We have seen strong growth across all our products: Paytm Postpaid (BNPL), Personal loans, and Merchant loans.

Disbursements in our loan distribution business are annualizing at a run-rate of about ₹24,000 Cr, and we believe there is ample opportunity for upsell in this business, while being conservative on the quality of the book (especially given the possibility of macro headwinds).

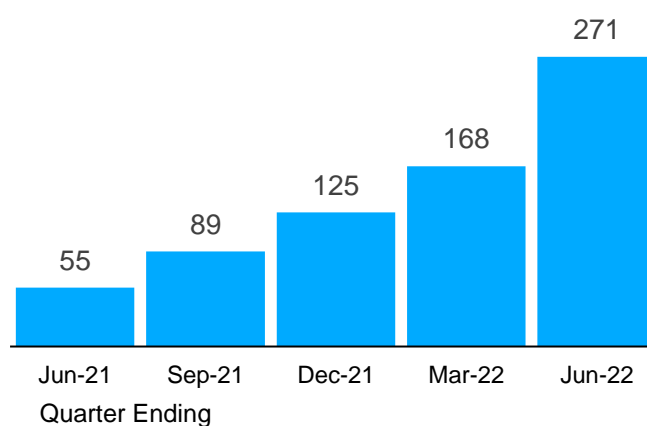
Number of Payment Devices

▲ 2.8 mn new devices in 12 months



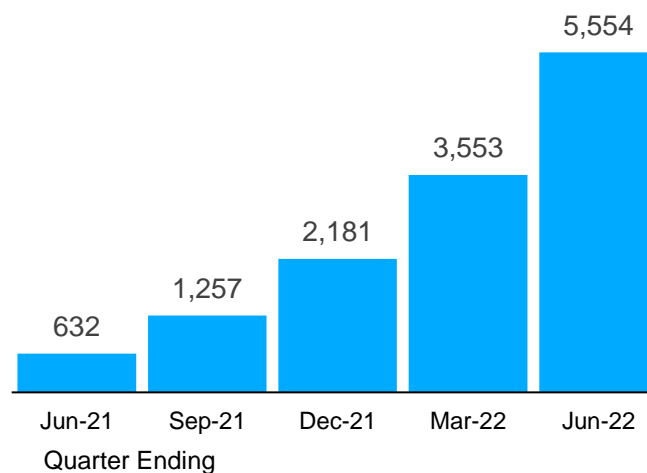
Revenue: Financials Services and Others

▲ 393% YoY (in ₹ Crore)



Value of Loans Disbursed through Paytm

▲ 779% YoY (in ₹ Crore)

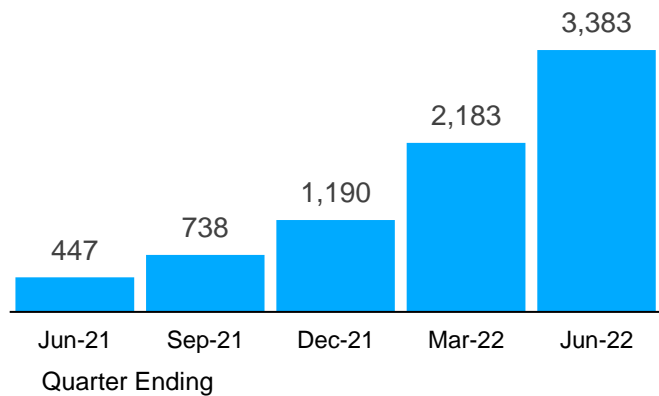


Paytm Postpaid

The number of Postpaid Loans disbursed grew 486% YoY in Q1 FY 2023, while the value of Postpaid Loans grew 656% YoY. We have witnessed strong growth in new user sign-ups, and the signed-up user base has now crossed 5.3 Mn. Merchant acceptance continues to grow, and Paytm Postpaid is now accepted by more than 11 mn online and offline merchants. Postpaid continues to show significant cross-sell opportunities in Personal Loans and Credit cards.

Value of Loans: Postpaid

▲ 656% YoY (in ₹ Crore)

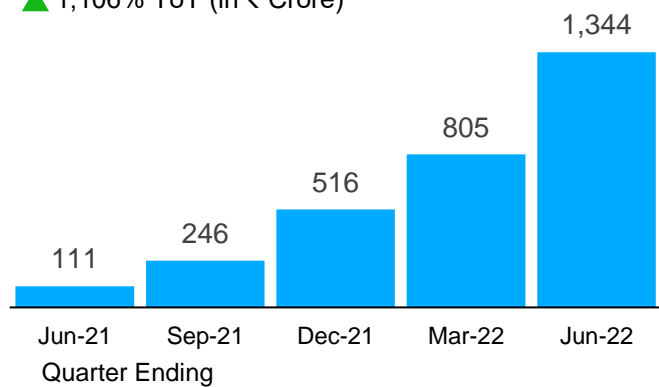


Personal Loans

The number of Personal Loans disbursed grew 887% YoY in Q1 FY 2023, while the value of Personal Loans grew 1,106% YoY. Average ticket size increased by 16% QoQ and is roughly ₹100,000 with an average tenure of 14 months. Cross-sell from Postpaid continues to see traction, with over 50% of personal loans disbursed in Q1 FY 2023 being to existing Paytm Postpaid users.

Value of Loans: Personal Loans

▲ 1,106% YoY (in ₹ Crore)

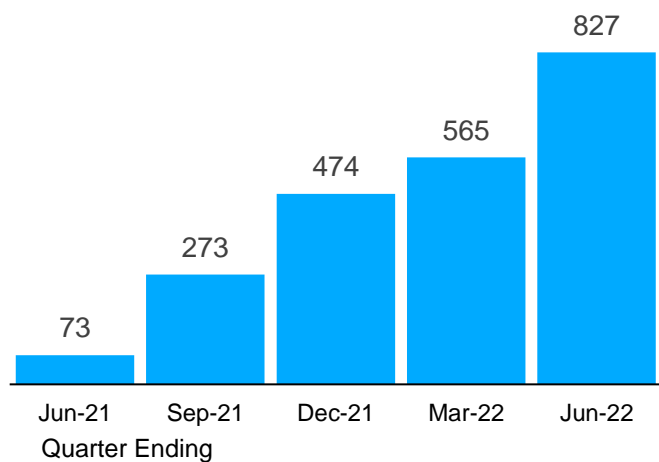


Merchant Loans

The number of Merchant Loans disbursed grew by 907% YoY in Q1 FY 2023, while the value of Merchant Loans grew 1,031% YoY. The average ticket size is roughly ₹140,000, with an average tenure of 12 months. Repeat loans continue to see a healthy take-up, with more than 45% of merchants having taken a loan more than once. More than 75% of the value disbursed this quarter was to merchants with a deployed Paytm payment device.

Value of Loans: Merchant Loans

▲ 1,031% YoY (in ₹ Crore)



Commerce and Cloud Services

For Q1 FY 2023, revenues from Commerce and Cloud services went up by 64% YoY and 3% QoQ to ₹331 Cr.

Commerce

In Q1 FY 2023, revenue from Commerce grew by 168% YoY and 34% QoQ to ₹139 Cr, primarily due to strong growth in our ticketing revenue with an uptick in demand for travel and entertainment, which had a seasonally strong quarter, supported by some blockbuster releases.

Cloud

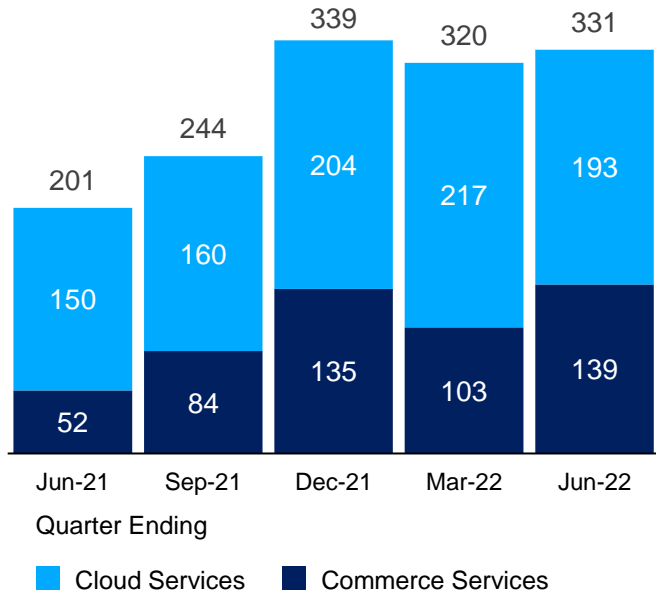
In Q1 FY 2023, revenue from Cloud grew by 29% YoY to ₹193 Cr, but was down 11% QoQ, primarily due to reduced marketing spend appetite of advertisers, particularly consumer internet companies. We have now started to see strong traction in credit card distribution and expect it to continue going forward.

3x growth in Contribution Profit

In Q1 FY 2023, the contribution profit at ₹726 Cr represents a 197% YoY and 35% QoQ growth with margin improvement in payments services and growth in high-margin offerings such as loan distribution and commerce services. Our contribution margin improved to 43% in Q1 FY 2023 from 27% in Q1 FY 2022 and 35% in Q4 FY 2022.

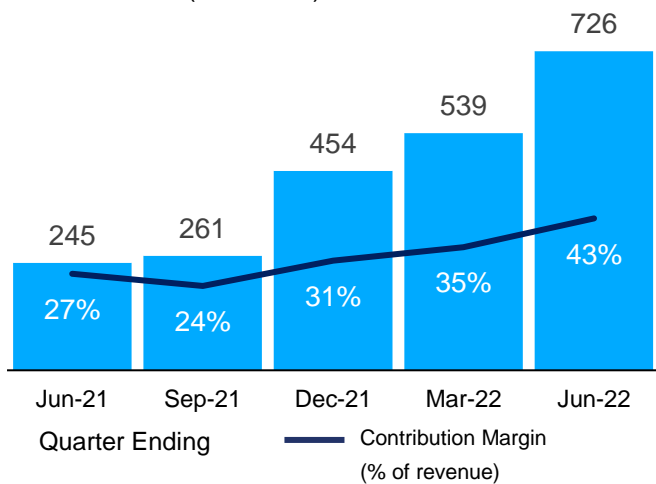
Revenue: Commerce and Cloud Services

▲ 64% YoY (in ₹ Crore)



Contribution Profit

▲ 197% YoY (in ₹ Crore)



Indirect Expenses

Indirect Expenses (excluding ESOP cost) reduced from 65% of revenues in Q1 FY 2022 to 60% of revenues in Q1 FY 2023. It has been stable QoQ, despite increase in employee cost (with annual appraisals) and seasonal increase in marketing expenses in form of sponsorships.

In Q1 FY 2023, our Marketing costs (excluding promotional cashback and incentives) at ₹175 Cr increased to 10% of revenues from 9% in Q1 & Q4 FY 2022. On an absolute basis, these costs were up 127% YoY and 33% QoQ almost entirely due to seasonal sponsorship spending.

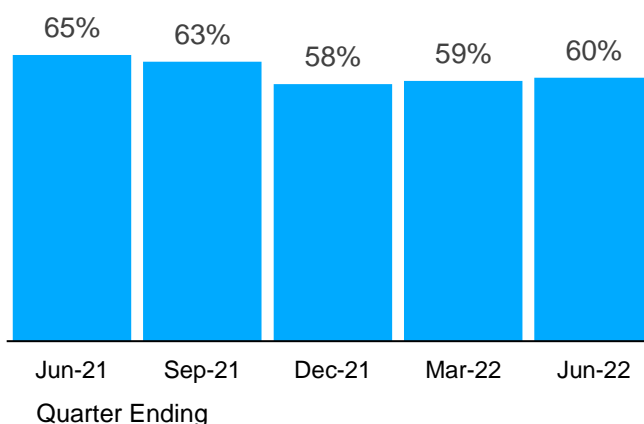
In Q1 FY 2023, our Employee costs (excluding ESOP cost) at ₹552 Cr were 33% of revenues, down from 35% of revenues in Q1 FY 2022. On an absolute basis, these costs were up 77% YoY and 10% QoQ due to the impact of annual appraisals, and our continued investments in our a) sales channels to drive the penetration of our devices that have attractive economics and upsell opportunities, and b) product and technology teams.

In Q1 FY 2023, our Software, Cloud, and Data Center costs at ₹162 Cr were 10% of revenues down from 12% in Q1 FY 2022 and remained flat QoQ. On an absolute basis, these costs were up 53% YoY and 7% QoQ primarily due to an increase in our cloud infrastructure costs, which are linked to our transaction volumes and GMV, which have doubled YoY.

In Q1 FY 2023, our Other Indirect costs at ₹111 Cr were 7% of revenues, down from 9% of revenues in Q1 FY 2022 and 8% in Q4 FY 2022. On an absolute basis, these costs were up 35% YoY, primarily due to an increase in subcontracting payouts to our vendors to scale up our field team and repairs of our Soundbox and POS devices. However, these expenses were down 9% QoQ.

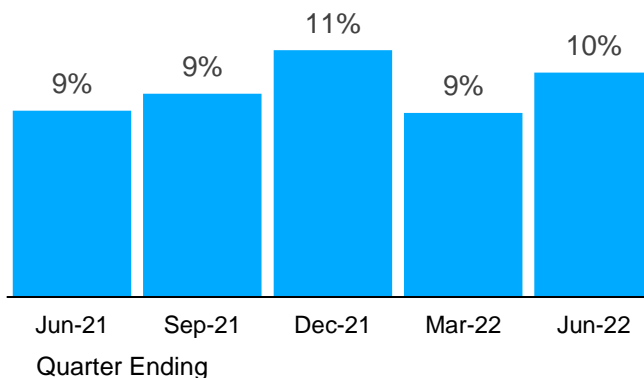
Indirect Expenses

As % of revenue



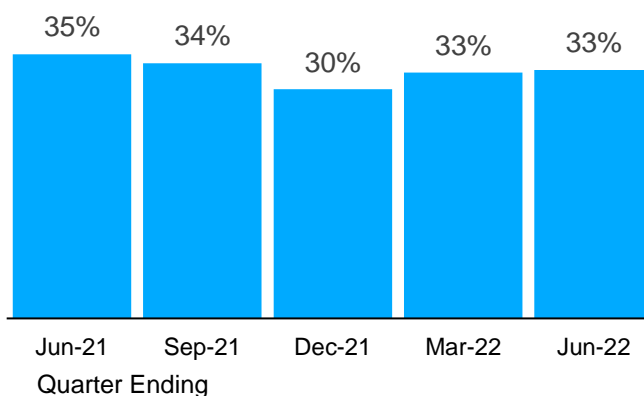
Marketing Cost

As % of revenue



Employee Costs (Excluding ESOPs)

As % of revenue



EBITDA (before ESOP cost) improved by ₹93 Cr QoQ

In Q1 FY 2023, our EBITDA (before ESOP cost) was (₹275 Cr) as compared to (₹368 Cr) in Q4 FY 2022 (25% QoQ improvement).

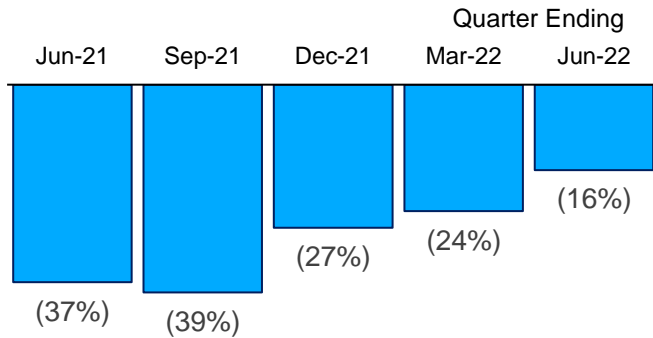
These successive improvements in our EBITDA (before ESOP cost) demonstrate, a) our ability to effectively leverage the distribution and rich insights and learnings from our platform to upsell high-margin use cases, and b) our continued efforts to optimize costs and increase in the operating leverage in our business.

ESOP charges recorded in Q1 FY 2023 were at ₹359 Cr, marginally lower than the previous quarter.

We are well funded with Net Cash, Cash Equivalent and investable balance of ₹9,411 Cr as of June 22.

EBITDA (Before ESOP cost) Margin

As a % of revenues



EBITDA (before ESOP Cost) in ₹ Crore

(₹332 Cr)	(₹426 Cr)	(₹393 Cr)	(₹368 Cr)	(₹275 Cr)
-----------	-----------	-----------	-----------	-----------

Summary of Consolidated Financial Performance

Particulars (in ₹ Cr)	Quarter Ended				
	Jun-21 (Audited)	Mar-22 (Audited)	Jun-22 (Unaudited)	YoY	QoQ
Payments & Financial Services	689	1,209	1,346	95%	11%
Payment Services to Consumers	301	469	519	73%	11%
Payment Services to Merchants	334	572	557	67%	(3%)
Financial Services and Others	55	168	271	393%	61%
Commerce & Cloud Services	201	320	331	64%	3%
Commerce	52	103	139	168%	34%
Cloud	150	217	193	29%	(11%)
Other Operating Revenue	0	12	2	nm	(79%)
Revenue from Operations	891	1,541	1,680	89%	9%
Payment processing charges	527	774	694	32%	(10%)
As % of GMV	0.36%	0.30%	0.23%	(12 bps)	(6 bps)
Promotional cashback & incentives	61	118	143	136%	22%
Other Expenses	59	110	117	98%	6%
Total Direct Expenses	646	1,002	954	48%	(5%)
Contribution Profit	245	539	726	197%	35%
Contribution Margin %	27.5%	35.0%	43.2%	+16%	+8%
Indirect Expenses					
Marketing	77	131	175	127%	33%
Employee cost (Excl ESOPs)	312	502	552	77%	10%
Software, cloud and data center	106	151	162	53%	7%
Other indirect expenses	82	122	111	35%	(9%)
EBITDA (before ESOP cost)	(332)	(368)	(275)	(17%)	(25%)
Margin %	(37.3%)	(23.8%)	(16.4%)	+21%	+7%

Summary of Key Operational Metrics

Operational KPIs	Units	Quarter Ended			YoY	QoQ
		Jun-21	Mar-22	Jun-22		
GMV	₹ Lakh Cr	1.5	2.6	3.0	101%	14%
Merchant Transactions	million	2,287	4,142	5,124	124%	24%
Total Transactions	million	2,785	5,029	6,126	120%	22%
MTU (average over the period)	million	50.4	70.9	74.8	49%	6%
Registered Merchants (end of period)	million	21.8	26.7	28.3	na	na
Loans	'000	1,433	6,544	8,478	492%	30%
Payment Devices (cumulative; end of period)	million	0.9	2.9	3.8	na	na
Average number of Sales Employees	#	6,564	22,249	21,775	232%	(2%)

Number of sales employees includes on-roll and off-roll employees. Cost of our on-roll sales force (including training) was ₹161.4 Cr for Q1 FY 2023, up from ₹150.5 Cr for Q4 FY 2022

Indicative Performance Metrics for Loan Distribution (Qtr Ending Jun'22)

	Postpaid	Personal Loans	Merchant Loans
Bounce Rates Healthy bounce rates continued to be exhibited in Q1 for our lending partners	11.0% to 13.0%	11.5% to 12.5%	NA
Bucket 1 Resolution % Capacity building with scale; Postpaid, Personal loans and Merchant loan resolution hold steady with rapidly expanding book size	81% to 83%	89% to 92%	84% to 87%
Recovery Rate Post 90+ Postpaid, Personal loans and Merchant loans continue to exhibit robust recovery rates	25% to 27%	27% to 29%	31% to 33%
ECL% Steady loss rates on static pool in line with Low and Grow model of scaling	1.1% to 1.3%	4.5% to 5.0%	5.0% to 5.5%

Loans are underwritten and booked by our lending partners (NBFC's and Banks) in their balance sheet. Paytm acts as a collection outsourcing partner and the numbers are hence indicative of those efforts

Reconciliation of EBITDA (before ESOP cost) with Loss for the period

Particulars (in ₹ Cr)	Quarter Ended			YoY	QoQ
	Jun-21 (Audited)	Mar-22 (Audited)	Jun-22 (Unaudited)		
EBITDA before share based payment expenses (A)	(332)	(368)	(275)	(17%)	(25%)
Share based payment expenses (B)	(39)	(362)	(359)	821%	(1%)
Initial Public Offer expenses (C)	0	0	0	<i>nm</i>	<i>nm</i>
Finance costs (D)	(10)	(7)	(6)	(43%)	(21%)
Depreciation and amortization expense (E)	(41)	(95)	(97)	138%	2%
Other income (F)	57	108	102	78%	(5%)
Share of profit/(loss) of associates/joint ventures (G)	(12)	(38)	(6)	(50%)	(84%)
Exceptional items (H)	(2)	0	0	(100%)	<i>nm</i>
Income Tax expense (I)	(3)	(1)	(5)	55%	700%
Loss for the period (J=Sum of A to I)	(382)	(763)	(645)	69%	(15%)

Breakup of available Cash and investable balance (Net Cash Balances)

Particulars	Mar-22	Jun-22
Cash and Bank Balances in Current Accounts (Net of Borrowings)	1,274 Cr	1,768 Cr
Fixed Deposits with banks	7,997 Cr	6,991 Cr
Current Investments (Mutual Funds)	-	652 Cr
Total Balances	9,271 Cr	9,411 Cr

Q1 FY 2023 Earnings Call Information

Paytm will hold its earnings conference call for shareholders, investors and analysts on **Saturday, August 06, 2022 from 15:00-16:15 Indian Standard Time**, to discuss the financial results of the Company for the quarter ended June 30, 2022.

Please see below the mandatory pre-registration link for attending the earnings call:

https://paytm.zoom.us/webinar/register/WN_sl8nk1u7Rwu-V1XsZ29KZg

The presentation, conference call recording and the transcript will be made available on the Company website subsequently. This disclosure is also hosted on the Company's website viz. www.paytm.com.



About Paytm

Paytm is India's payment Super App offering consumers and merchants most comprehensive payment services. Pioneer of mobile QR payments revolution in India, Paytm's mission is to bring half a billion Indians into the mainstream economy through technology-led financial Services. Paytm enables commerce for small merchants and distributes various financial services offerings to its consumers and merchants in partnership with financial institutions.



Notes and Disclaimers for Earnings Release

By reading this release you agree to be bound as follows:

This earnings release is prepared by One 97 Communications Limited (“Company”) and is for information purposes only without regards to specific objectives, financial situations or needs of any -particular person and is not and nothing in it shall be construed as an invitation, offer, solicitation, recommendation or advertisement in respect of the purchase or sale of any securities of the Company or any affiliates in any jurisdiction or as an inducement to enter into investment activity and no part of it shall form the basis of or be relied upon in connection with any contract or commitment or investment decision whatsoever. This earnings release does not take into account, nor does it provide any tax, legal or investment advice or opinion regarding the specific investment objectives or financial situation of any person. Before acting on any information you should consider the appropriateness of the information having regard to these matters, and in particular, you should seek independent financial advice. This earnings release and its contents are confidential and proprietary to the Company and/or its affiliates and no part of it or its subject matter be used, reproduced, copied, distributed, shared, retransmitted, summarized or disseminated, directly or indirectly, to any other person or published in whole or in part for any purpose, in any manner whatsoever.

The information contained in this earnings release is a general background information of the Company and there is no representation that all information relating to the context has been taken care of in the earnings release. We do not assume responsibility to publicly amend, modify or revise any information contained in this earnings release on the basis of any subsequent development, information or events, or otherwise. This earnings release includes certain statements that are, or may be deemed to be, “forward-looking statements” and relate to the Company and its financial position, business strategy, events and courses of action.

Forward-looking statements and financial projections are based on the opinions and estimates of management as on the date such statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements and financial projections. Representative examples of factors that could affect the accuracy of forward looking statements include (without limitation) the condition of and changes in India’s political and economic status, government policies, applicable laws, international and domestic events having a bearing on Company’s business, and such other factors beyond our control.

Forward-looking statements and financial projections include, among other things, statements about: our expectations regarding our transaction volumes, expenses, sales and operations; our future merchant and consumer concentration; our anticipated cash needs, our estimates regarding our capital requirements, our need for additional financing; our ability to anticipate the future needs of our merchants and consumers; our plans for future products and enhancements of existing products; our future growth strategy and growth rate; our future intellectual property; and our anticipated trends and challenges in the markets in which we operate. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. These forward-looking statements represent only the Company’s current intentions, beliefs or expectations, and no representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts in the earnings release, if any, are correct or that any objectives specified herein will be achieved.

We have converted financial amounts from ₹ millions into ₹ Cr and hence there could be some totaling anomalies in the numbers

Notes and Disclaimers for Earnings Release

We, or any of our affiliates, shareholders, directors, employees, or advisors, as such, make no representations or warranties, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein and accept no liability whatsoever for any loss, howsoever, arising from any use or reliance on this earnings release or its contents or otherwise arising in connection therewith. The information contained herein is subject to change without any obligation to notify any person of such revisions or change and past performance is not indicative of future results.

This document has not been and will not be reviewed or approved by a regulatory authority in India or by any stock exchange in India. No rights or obligations of any nature are created or shall be deemed to be created by the contents of this earnings release.

Use of Operating Metrics

The operating metrics reported in this earnings release are calculated using internal Company data based on the activity of our merchants, consumers and other participants in our ecosystem. While these numbers are based on what we believe to be reasonable estimates of engagement, for the applicable period of measurement, there are inherent challenges in measuring usage across our large online, offline, in-store and mobile presence. The methodologies used to measure these metrics require significant judgment and are also susceptible to algorithm or other technical errors. We regularly review our processes for calculating these metrics, and from time to time we may discover inaccuracies in our metrics or may make adjustments to improve their accuracy, which can result in adjustments to previously disclosed metrics. In addition, our metrics will differ from estimates published by third parties due to differences in methodology.

Definitions for Metrics & Key Performance Indicators

Metric	Definition
GMV	GMV is the rupee value of total payments made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period. It excludes any consumer-to-consumer payment service such as money transfers.
Monthly Transacting User (MTU)	Unique users with at least one successful transaction in a particular calendar month
GMV / MTU	Total GMV for the period divided by average MTU for the period
Contribution Profit	Contribution profit is a non-GAAP financial measure. We define Contribution profit as revenue from operations less payment processing charges, promotional cashback & incentives expenses, connectivity & content fees, contest, ticketing & FASTag expenses & logistic, deployment & collection cost of our businesses

Non-GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly-titled Non-GAAP measures used by other companies. The principal limitation of these Non-GAAP financial measures is that they exclude significant expenses and income that are required by IndAS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-GAAP financial measures. A reconciliation is provided below for each Non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of Non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
M/s. One 97 Communications Limited
One Skymark, Tower-D, Plot No. H-10B
Sector-98, Noida 201304, Uttar Pradesh

1. We have reviewed the Unaudited Consolidated Financial Results of One 97 Communications Limited (the "Parent"), its subsidiaries (the Parent and its subsidiaries hereinafter referred to as the "Group"), and its share of the net profit/loss after tax of its joint ventures and associates (refer paragraph 4 below) for the quarter ended June 30, 2022 which are included in the accompanying Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2022 (the "Statement"). The Statement has been prepared by the Parent pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors has been compiled from the related Unaudited Special Purpose Interim Condensed Consolidated Financial Statements of the Group, its joint ventures and associates for the quarter ended June 30, 2022, Special Purpose Interim Consolidated Financial Statements for the period ended June 30, 2021 and Consolidated Financial Statements for the year ended March 31, 2022. These have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 (the "Act"), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure A.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurugram - 122 002
T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

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

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, other than the unreviewed financial statements/ financial information as certified by the management and referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to the following matters:
- a) Note 5 to the Statement relating to non-realisation of foreign currency receivables as at June 30, 2022 aggregating to INR 284 million outstanding beyond the stipulated time period permitted under the RBI Master Direction on Export of Goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), issued by the Reserve Bank of India (RBI). The Group has made the necessary application with the Authorised Dealer (AD) banker/RBI seeking extension of time limit for remittance for certain balances and write-off of the remaining balances.
- b) Note 7 (a) to the Statement, which indicates that one of the Subsidiary Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for the year. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI), the Subsidiary Company fulfils the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly is required to obtain registration as such. However, the Subsidiary Company's Management has stated that this position is temporary in nature and the Subsidiary Company has no intention of conducting the business as an NBFC, and accordingly it had filed an application and other documents with the RBI seeking dispensation from registration as NBFC.
- c) Note 7 (b) to the Statement, relating to one of the Joint venture companies which describes:
- i. Non-settlement of foreign currency payables as at June 30, 2022 amounting to INR 219 million, due for more than six months. This is beyond the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 (as amended). The Company has made the necessary application with the Authorised Dealer (AD) Bank on April 27, 2022 seeking extension of time limit for remittance of the same.
- ii. Non-realisation of foreign currency receivables as at June 30, 2022 amounting to INR 0.43 million, outstanding for more than nine months. This is beyond the time period permitted under the RBI Master Direction on Export of Goods and Services vide FED Master Direction No. 16/2015-16 (as amended), issued by the Reserve Bank of India (RBI). The Company has made the necessary application with the AD Bank on April 8, 2022 seeking extension of time limit for realization of the same.

Our conclusion on the Statement is not modified in respect of the above matters.



7. We did not review the interim financial statements/ financial information of 13 subsidiaries included in the Unaudited Consolidated Financial Results, whose interim financial statements/ financial information reflect total revenues of INR 1,080 million, total net loss after tax of INR 111 million and total comprehensive loss of INR 934 million, for the quarter ended June 30, 2022, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net loss after tax of INR 22 million and total comprehensive loss of INR 23 million for the quarter ended June 30, 2022, as considered in the Unaudited Consolidated Financial Results, in respect of 2 associates, whose interim financial statements/ financial information have not been reviewed by us. These interim financial statements/ financial information have been reviewed by other auditors and their reports, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter.

8. The Unaudited Consolidated Financial Results includes the interim financial statements/ financial information of 9 subsidiaries which have not been reviewed by their auditors, whose interim financial statements/ financial information reflect total revenue of INR 112 million, total net profit after tax of INR 3 million and total comprehensive Income of INR 3 million for the quarter ended June 30, 2022, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net loss after tax of INR 3 million and total comprehensive loss of INR 3 million for the quarter ended June 30, 2022, as considered in the Unaudited Consolidated Financial Results, in respect of 5 associates and 2 joint ventures, based on their interim financial statements/ financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial statements/ financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.

9. The Consolidated Financial Results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22 which were subject to limited review by us.

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



Amitesh Dutta
Partner
Membership Number: 058507
UDIN: 22058507AOJNZY2851

Place: Gurugram
Date: August 5, 2022

Annexure A

List of entities

Sl. No.	Name of the Company
A.	Subsidiaries (Direct)
1	One97 Communications India Limited
2	Wasteland Entertainment Private Limited
3	Mobiquest Mobile Technologies Private Limited ('MQ')
4	Urja Money Private Limited ('Urja')
5	Little Internet Private Limited ('Little')
6	Paytm Entertainment Limited
7	Paytm Money Limited
8	Orbgen Technologies Private Limited
9	Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)
10	Paytm Payments Services Limited
11	Paytm Insurance Broking Private Limited
12	One97 Communications Nigeria Limited
13	One97 Communications FZ-LLC
14	One97 Communications Singapore Private Limited ('OCSPL')
15	One97 USA Inc.

B.	Subsidiaries (Indirect)
1	One97 Communications Rwanda Private Limited (subsidiary of OCSPL)
2	One97 Communications Tanzania Private Limited (subsidiary of OCSPL)
3	One97 Communications Bangladesh Private Limited (subsidiary of OCSPL)
4	One97 Uganda Limited (subsidiary of OCSPL)
5	One97 Ivory Coast SA (subsidiary of OCSPL)
6	One97 Benin SA (subsidiary of OCSPL)
7	Paytm Labs Inc. (subsidiary of OCSPL)
8	One97 Communications Malaysia Sdn. Bhd. (subsidiary of OCSPL)
9	One Nine Seven Communication Nepal Private Limited (subsidiary of OCSPL)
10	One Nine Seven Digital Solutions Limited (subsidiary of OCSPL)
11	One Nine Seven Communications Saudi Arabia For Communication and Information Technology (subsidiary of OCSPL)
12	Xceed IT Solution Private Limited (subsidiary of MQ)
13	Nearbuy India Private Limited (subsidiary of Little)
14	Fincollect Services Private Limited (subsidiary of Urja)

C.	Associates (Direct)
1	Paytm Payments Bank Limited
2	Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited)
3	Paytm General Insurance Limited
4	Paytm Life Insurance Limited
5	Paytm Financial Services Limited*
6	Infinity Transoft Solution Private Limited
7	Eatgood Technologies Private Limited
8	Socomo Technologies Private Limited



D.	Associates (Indirect)
1	Foster Payment Networks Private Limited (subsidiary of Paytm Financial Services Limited)
2	Admirable Software Limited (subsidiary of Paytm Financial Services Limited)

E.	Joint Ventures of Paytm Entertainment limited (Indirect)
1	Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited)
2	Paytm First Games Singapore Pte. Ltd. (wholly owned subsidiary of Paytm First Games Private Limited)
3	Paytm Technology (Beijing) Co., Ltd. wholly owned subsidiary of Paytm First Games Private Limited)



Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Year Ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Audited)	(Audited)	(Audited)
		Refer note 2		
Income				
Revenue from operations	16,796	15,409	8,908	49,742
Other income	1,020	1,075	572	2,901
Total income	17,816	16,484	9,480	52,643
Expenses				
Payment processing charges	6,938	7,742	5,265	27,538
Marketing and promotional expenses	3,181	2,489	1,377	8,554
Employee benefits expense#	9,117	8,634	3,507	24,319
Software, cloud and data centre expenses	1,622	1,511	1,058	4,999
Depreciation and amortization expense	972	951	409	2,473
Finance costs	55	70	97	394
Other expenses	2,277	2,323	1,410	7,734
Total expenses	24,162	23,720	13,123	76,011
Loss before share of profit / (loss) of associates / joint ventures, exceptional items and tax	(6,346)	(7,236)	(3,643)	(23,368)
Share of profit/ (loss) of associates / joint ventures	(60)	(383)	(121)	(459)
Loss before exceptional items and tax	(6,406)	(7,619)	(3,764)	(23,827)
Exceptional items##	-	-	(24)	(24)
Loss before tax	(6,406)	(7,619)	(3,788)	(23,851)
Income Tax expense				
Current tax	48	38	43	151
Deferred tax expense/(credit)	*	(32)	(12)	(38)
Total Tax expense	48	6	31	113
Loss for the period / year	(6,454)	(7,625)	(3,819)	(23,964)
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent period / year				
Re-measurement gains/ (losses) on defined benefit plans	(38)	(5)	7	(21)
Changes in fair value of equity instruments at FVTOCI (Refer note 8)	(822)	9,376	-	9,376
Items that may be reclassified to profit or loss in subsequent period / year				
Exchange differences on translation of foreign operations	149	186	46	194
Total other comprehensive income/(loss) for the period / year	(711)	9,557	53	9,549
Total comprehensive income/ (loss) for the period / year	(7,165)	1,932	(3,766)	(14,415)
Loss for the period / year				
Attributable to:				
Owners of the parent	(6,444)	(7,614)	(3,802)	(23,929)
Non-controlling interests	(10)	(11)	(17)	(35)
Other comprehensive income for the period / year				
Attributable to:				
Owners of the parent	(711)	9,557	53	9,549
Non-controlling interests	*	*	*	*
Total comprehensive income/(loss) for the period / year	(7,165)	1,932	(3,766)	(14,415)
Attributable to:				
Owners of the parent	(7,155)	1,943	(3,749)	(14,380)
Non-controlling interests	(10)	(11)	(17)	(35)
Paid up equity share capital	649	649	605	649
Face value of the share	1	1	1	1
Other Equity				140,867
Earnings per share (INR per share of INR 1 each) (not annualised for quarters)				
Basic	(10)	(12)	(6)	(38)
Diluted	(10)	(12)	(6)	(38)
Includes				
#Share based payment expenses	3,592	3,615	390	8,093
##Impairment of Goodwill	-	-	(24)	(24)

See accompanying notes to the Unaudited Consolidated Financial Results

* Amount below rounding off norms adopted by the Group



One 97 Communications Limited
Notes to the Unaudited Consolidated Financial Results

1. The above statement of Unaudited Consolidated Financial Results are extracted from the Unaudited Special Purpose Interim Condensed Consolidated Financial Statements of the Company for the quarter ended June 30, 2022, Special Purpose Interim Consolidated Financial Statements for the period ended June 30, 2021 and Consolidated Financial Statements for the year ended March 31, 2022 which have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder. The above statement of Unaudited Consolidated Financial Results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on August 4, 2022 and August 5, 2022, respectively.
2. The Statement includes the results for the quarter ended March 31, 2022, being the balancing figure between audited figures in respect of the full financial year 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22, which were subject to limited review.
3. The Group is engaged in different business units, including payment and financial services, commerce and cloud services and the Board of Directors (Chief Operating Decision Maker "CODM") reviews the information at the revenue level and does not allocate operating costs and expenses, assets and liabilities across business units, as the CODM does not use such information to allocate resources or evaluate the performance of the business units. Allocation of resources and assessment of financial performance is done at the consolidated level. The way the CODM reviews the performance, management of the Group has concluded that the Group constitutes a single segment as per Ind AS 108 'Operating Segments'. Hence, no separate disclosure is required for segments.
4. The government has removed substantially all COVID-19 related restrictions gradually in a phased manner and the Group has seen improvement in its operations. The Group has made an assessment of the recoverability and carrying values of its assets as at the end of the current quarter and has concluded that there are no material adjustments required in the Unaudited Consolidated Financial Results. Management believes that it has considered all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Unaudited Consolidated Financial Results.
5. As of June 30, 2022, the Group has certain foreign currency receivable balances aggregating to INR 3 million, INR 44 million and INR 237 million which are outstanding for more than nine months, fifteen months (extended from nine months via RBI circular-RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020, for the exports made up to or on July 31, 2020) and three years, respectively. The Group has applied to the Authorised Dealer Bank (AD) Bank seeking permission for extension of time for realisation of receivables amounting to INR 38 million and write-off of receivables amounting to INR 5 million. Further, an application has been made by Holding Company to the Reserve Bank of India (RBI) vide the letter dated December 17, 2020 for seeking approval for extension of time for outstanding receivable balances amounting to INR 147 million and write off of receivable balances amounting to INR 94 million and approval is currently awaited.

Management does not expect any material financial implication on account of the delay under existing regulations.



One 97 Communications Limited
Notes to the Unaudited Consolidated Financial Results

6. During the year ended March 31, 2022, the Company had completed its initial public offer (IPO) of 85,116,278 equity shares of face value of INR 1 each at an issue price of INR 2,150 per share, comprising fresh issue of 38,604,651 shares and offer for sale of 46,511,627 shares by selling shareholders. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 18, 2021.

The Company had incurred INR 4,115 million as IPO related expenses and allocated such expenses between the Company INR 1,866 million and selling shareholders INR 2,249 million. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of INR 1,866 million, INR 1,401 million had been adjusted to securities premium.

Details of utilisation of net IPO Proceeds of INR 81,134 million, are as follows:

(Amount in INR Million)

S. No	Objects of the issue	Amount as proposed in Offer Document	Amount Utilised up to June 30, 2022	Amount Un-utilised as on June 30, 2022
1	Growing and strengthening our Paytm ecosystem, including through acquisition and retention of consumers and merchants and providing them with greater access to technology and financial services	43,000		28,581
	i) Marketing and promotional expenses		2,782	
	ii) Expanding our merchant base and deepening our partnership with our merchants		5,834	
	iii) Strengthening and expanding our technology powered payments platform		5,803	
	Total (A)	43,000	14,419	28,581
2	Investing in new business initiatives, acquisitions and strategic partnerships	20,000		20,000
	i) Investments in new business initiatives			
	a) Payment Services		-	
	b) Commerce and cloud services		-	
	c) Financial Services		-	
	ii) Investments in acquisitions and strategic partnerships	-		
	Total (B)	20,000	-	20,000
3	General corporate purposes	18,134	3,219	14,915
	Total (C)	18,134	3,219	14,915
	Total (A+B+C)	81,134	17,638	63,496

Net IPO proceeds which were un-utilised as at June 30, 2022 were temporarily invested in fixed deposits with scheduled commercial banks and in monitoring agency account.



One 97 Communications Limited
Notes to the Unaudited Consolidated Financial Results

7. Notes given by the subsidiary and joint venture in their respective Unaudited Special Purpose Interim Condensed Financial Statements -

a) Paytm Entertainment Limited:

“The Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for FY 20-21. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Company fulfilled the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly required to obtain registration as such. However, management has stated that this position was temporary in nature and arose on account of interest income on short term loan amounting to INR 809,164 thousands as at March 31, 2021 given to its Joint Venture Company, Paytm First Games Private Limited (PFG) on account of a commercial exigency and sudden business needs owing to the ongoing pandemic and this loan was due for repayment in the month of September, 2021 (“One Time Short-Term Loan”). The loan was a one-off loan and is not a part of the ordinary course of business of the Company. It was not intended that this would be a systemic practice going forward. Out of the above said loan, INR 250,000 thousands was repaid back by the borrower on May 25, 2021 and remaining amount was repaid in full on September 24, 2021 along with the accrued interest. Accordingly, the Company has filed an application dated May 26, 2021 and other documents on December 14, 2021 with the RBI seeking dispensation from registration as an NBFC. Further communication from RBI is awaited in this regard.”

b) Paytm First Games Private Limited:

“As of June 30, 2022, the Company has certain foreign currency payable balances aggregating to INR 2,190 lakhs which are outstanding for more than six months. The Company has filed an application to Authorised Dealer (AD) Bank vide letter dated April 27, 2022 seeking permission for extension of time for payment and approval is currently awaited.

As of June 30, 2022, the Company also has certain foreign currency receivable balances aggregating to INR 4.29 lakhs which are outstanding for more than nine months. The Company has applied to the AD Bank vide letter dated April 8, 2022 seeking permission for extension of time for realisation of the amount and approval is currently awaited.

Management does not expect any material financial implication on account of the delay under existing regulations.”

8. Changes in fair value of equity instruments at FVTOCI represents the fair value gain and related foreign exchange component on investments in stock acquisition rights of PayPay Corporation which are held by a subsidiary company.
9. Comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current period figures.

**For and on behalf of Board of Directors of
One 97 Communications Limited**



Vijay Shekhar Sharma
Chairman, Managing Director and CEO
Place: Mumbai
Date: August 5, 2022



Price Waterhouse Chartered Accountants LLP

Review Report

To,
The Board of Directors
M/s. One 97 Communications Limited
One Skymark, Tower-D, Plot No. H-10B
Sector-98, Noida 201304, Uttar Pradesh

1. We have reviewed the Unaudited Standalone Financial Results of One 97 Communications Limited (the "Company") for the quarter ended June 30, 2022 which are included in the accompanying Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2022 (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Unaudited Special Purpose Interim Condensed Standalone Financial Statements of the Company for the quarter ended June 30, 2022, Special purpose interim standalone financial statements for the period ended June 30, 2021 and Standalone Financial Statements for the year ended March 31, 2022. These have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 (the "Act"), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention Note 6 to the Statement relating to non-realisation of foreign currency receivable balances as at June 30, 2022 aggregating to INR 278 million outstanding beyond the stipulated time period permitted under the RBI Master Direction on Export of Goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), issued by the Reserve Bank of India (RBI). The Company has made the necessary application with the Authorised Dealer (AD) banker/RBI seeking extension of time limit for remittance of certain balances and write-off the remaining balances. Our conclusion on the Statement is not modified in respect of the above matter.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurugram - 122 002
T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

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

6. The Standalone Financial Results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22 which were subject to limited review by us.

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



Amitesh Dutta
Partner

Membership Number: 058507
UDIN: 22058507AOJMRI5671

Place: Gurugram.
Date: August 5, 2022

One 97 Communications Limited
CIN: L72200DL2000PLC108985

Registered Office: First Floor, Devika Tower, Nehru Place, New Delhi 110019, India; Tel: +91 11 2628 0280; Website: www.paytm.com
Corporate Office: Paytm Corporate Office, One Skymark, Tower-D, Plot No. H-10B, Sector-98, Noida 201304, Uttar Pradesh, India, Tel: +91 120 4770770;
E-mail: compliance.officer@paytm.com; Fax: +91 120 4770771

Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Year Ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Audited)	(Audited)	(Audited)
		Refer note 2		
Income				
Revenue from operations	12,454	10,731	8,468	38,924
Other income	1,013	1,081	525	2,830
Total income	13,467	11,812	8,993	41,754
Expenses				
Payment processing charges	3,993	4,241	5,254	19,855
Marketing and promotional expenses	2,876	2,148	1,339	7,907
Employee benefits expense#	7,636	6,824	2,648	19,072
Software, cloud and data centre expenses	1,522	1,329	997	4,516
Depreciation and amortization expense	926	900	366	2,282
Finance costs	52	73	92	381
Other expenses	2,742	3,188	1,882	10,548
Total expenses	19,747	18,703	12,578	64,561
Loss before exceptional items and tax	(6,280)	(6,891)	(3,585)	(22,807)
Exceptional items##	-	-	(362)	(441)
Loss before tax	(6,280)	(6,891)	(3,947)	(23,248)
Income Tax expense				
Current tax	-	-	3	3
Total Tax expense	-	-	3	3
Loss for the period / year	(6,280)	(6,891)	(3,950)	(23,251)
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent period / year				
Re-measurement gains/ (losses) on defined benefit plans	(34)	(7)	8	(18)
Total other comprehensive income/(loss) for the period / year	(34)	(7)	8	(18)
Total comprehensive income/ (loss) for the period / year	(6,314)	(6,898)	(3,942)	(23,269)
Paid up equity share capital	649	649	605	649
Face value of the share	1	1	1	1
Other Equity				136,476
Earnings per share (INR per share of INR 1 each) (not annualised for quarters)				
Basic	(10)	(11)	(7)	(37)
Diluted	(10)	(11)	(7)	(37)
Includes:				
#Share based payment expenses	3,354	3,384	309	7,498
##Impairment of investment in associates and subsidiaries	-	-	(362)	(441)
See accompanying notes to the Unaudited Standalone Financial Results				



One 97 Communications Limited
Notes to the Unaudited Standalone Financial Results

1. The above statement of Unaudited Standalone Financial Results are extracted from the Unaudited Special Purpose Interim Condensed Standalone Financial Statements of the Company for the quarter ended June 30, 2022, Special Purpose Interim Standalone Financial Statements for the period ended June 30, 2021 and Standalone Financial Statements for the year ended March 31, 2022 which have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder. The above statement of Unaudited Standalone Financial Results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on August 4, 2022 and August 5, 2022, respectively.
2. The Statement includes the results for the quarter ended March 31, 2022, being the balancing figure between audited figures in respect of the full financial year 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22, which were subject to limited review.
3. The Company is engaged in different business units, including payment and financial services, commerce and cloud services and the Board of Directors (Chief Operating Decision Maker "CODM") reviews the information at the revenue level and does not allocate operating costs and expenses, assets and liabilities across business units, as the CODM does not use such information to allocate resources or evaluate the performance of the business units. The way the CODM reviews the performance, management of the Company has concluded that it constitutes a single segment as per Ind AS 108 'Operating Segments'. Hence, no separate disclosure is required for segments.
4. The Company had transferred online Payment Aggregator business to Paytm Payments Services Limited, a wholly owned subsidiary of the Company, to comply with 'Guidelines on Regulation of Payment Aggregators and Payment Gateways' issued by RBI via circular dated March 17, 2020, as amended. For accounting purposes date of effective loss of control over the above business was taken as September 30, 2021 considering that the transaction was approved by the shareholders on September 23, 2021 and final submission was made to RBI on September 30, 2021. Consequent to the aforesaid transfer, results for the quarter ended June 30, 2021 are not comparable with the results of current quarter.
5. The government has removed substantially all COVID-19 related restrictions gradually in a phased manner and the Company has seen improvement in its operations. The Company has made an assessment of the recoverability and carrying values of its assets as at the end of the current quarter and has concluded that there are no material adjustments required in the Unaudited Standalone Financial Results. Management believes that it has considered all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Unaudited Standalone Financial Results.
6. As of June 30, 2022, the Company has certain foreign currency receivable balances aggregating to INR 2 million, INR 43 million and INR 233 million which are outstanding for more than nine months, fifteen months (extended from nine months via RBI circular-RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020, for the exports made up to or on July 31, 2020) and three years, respectively. The Company has applied to the Authorised Dealer Bank (AD) Bank seeking permission for extension of time for realisation of receivables amounting to INR 36 million and write-off of receivables amounting to INR 1 million. Further, an application has been made to the Reserve Bank of India (RBI) vide the letter dated December 17, 2020 for seeking approval for extension of time for outstanding receivable balances amounting to INR 147 million and write off of receivable balances amounting to INR 94 million and approval is currently awaited.

Management does not expect any material financial implication on account of the delay under existing regulations.

7. During the year ended March 31, 2022, the Company had completed its initial public offer (IPO) of 85,116,278 equity shares of face value of INR 1 each at an issue price of INR 2,150 per share, comprising fresh issue of 38,604,651 shares and offer for sale of 46,511,627 shares by selling shareholders. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 18, 2021.

The Company had incurred INR 4,115 million as IPO related expenses and allocated such expenses between the Company INR 1,866 million and selling shareholders INR 2,249 million. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of INR 1,866 million, INR 1,401 million had been adjusted to securities premium.



One 97 Communications Limited
Notes to the Unaudited Standalone Financial Results

Details of utilisation of net IPO Proceeds of INR 81,134 million, are as follows:

(Amount in INR Million)

S. No	Objects of the issue	Amount as proposed in Offer Document	Amount Utilised up to June 30, 2022	Amount Un-utilised as on June 30, 2022
1	Growing and strengthening our Paytm ecosystem, including through acquisition and retention of consumers and merchants and providing them with greater access to technology and financial services	43,000		28,581
	i) Marketing and promotional expenses		2,782	
	ii) Expanding our merchant base and deepening our partnership with our merchants		5,834	
	iii) Strengthening and expanding our technology powered payments platform		5,803	
	Total (A)	43,000	14,419	28,581
2	Investing in new business initiatives, acquisitions and strategic partnerships	20,000		20,000
	i) Investments in new business initiatives			
	a) Payment Services		-	
	b) Commerce and cloud services		-	
	c) Financial Services		-	
	ii) Investments in acquisitions and strategic partnerships	-		
	Total (B)	20,000	-	20,000
3	General corporate purposes	18,134	3,219	14,915
	Total (C)	18,134	3,219	14,915
	Total (A+B+C)	81,134	17,638	63,496

Net IPO proceeds which were un-utilised as at June 30, 2022 were temporarily invested in fixed deposits with scheduled commercial banks and in monitoring agency account.

8. Comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current period figures.

**For and on behalf of Board of Directors of
One 97 Communications Limited**

Vijay Shekhar Sharma
Chairman, Managing Director and CEO
Place: Mumbai
Date: August 5, 2022

