



February 4, 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

Subject: Outcome of Board Meeting – Financial Results for the quarter and nine months ended December 31, 2021

Dear Sir / Madam,

In continuation to our earlier letter dated January 27, 2022 and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Board of Directors of the Company at their meeting held today i.e. February 4, 2022 have, *inter-alia*, considered and approved the unaudited standalone & consolidated financial results (“Financial Results”) of the Company for the quarter and nine months ended December 31, 2021.

In compliance with regulation 30 of the Listing Regulations, we are enclosing herewith following for the quarter ended December 31, 2021:

- Financial Results
- Limited Review Reports
- Earnings Release

The Board meeting commenced at 9:20 p.m. (IST) and concluded at 10:30 p.m. (IST).

This disclosure shall also be made available on the Company's website viz. www.paytm.com.

Request you to kindly take the same on record.

Thanking you,

Yours Sincerely,

For **One 97 Communications Limited**

Amit Khera
Company Secretary & Compliance Officer

Encl.: As above



paytm

Paytm Earnings Release

Q3 FY 2022

February 2022



Key Metrics for Q3 FY 2022

Revenue from Operations

Strong growth driven by increase in merchant payments processed through MDR bearing instruments (Paytm Wallet, Paytm bank account, other banks netbanking, debit and credit cards), disbursements of loans on platform and recovery of commerce business from covid impact

₹1,456
Cr

89% growth Y-o-Y

Contribution profit

Contribution profit (defined as Revenue from operations less payment processing charges, promotional cashback and incentives, and other direct costs) improved to 31.2% of revenue in Q3 FY 2022 from 8.9% in Q3 FY 2021

₹454
Cr

31.2% of revenues
560% growth Y-o-Y

EBITDA (Before ESOP cost)

EBITDA margin improved to (27%) of revenues in Q3 FY 2022 from (63%) of revenues in Q3 FY 2021, and (39%) of revenues in Q2 FY 2022

₹(393)
Cr

vs ₹(488) Cr in Q3 FY 2021

Monthly Transacting Users (MTU)

Average MTU, number of unique users with at least one successful payments transaction in a month, has grown by 37% Y-o-Y to 64.4 mn in Q3 FY 2022

64.4
Million

37% growth Y-o-Y

Merchant Payment GMV

Processing of merchant payments through all instruments (Paytm Wallet, Paytm Payments bank account, other banks netbanking, credit and debit cards, UPI etc) grew 123% Y-o-Y

₹2.5 lakh
Cr

123% growth Y-o-Y

Key Metrics for Payments and Merchant Services

	Q3 FY 2022	Y-o-Y growth
Payments Services to Consumers		
Revenue from payments made by consumer on Paytm App	₹406 Cr	60%
Payment Services to Merchants		
Revenue for processing payment in merchant store or app or website	₹586 Cr	117%
Commerce and Cloud Services to merchants		
Revenue from enabling commerce for merchants. Offerings such as mini apps, advertising and commerce on Paytm App	₹339 Cr	64%

Key Metrics for Lending Business

Total Value of Loans Disbursed in Q3		
Value of loans disbursed by our partners using our platform	₹2,181 Cr	366%
Total Number of Loans Disbursed in Q3		
Number of loans disbursed by our partners using our platform	4.4 mn	401%

Details of type of loan disbursed through our platform

	Q3 FY 2022	Y-o-Y growth
Paytm Postpaid (Buy-Now-Pay-Later) (value of loans)		
Small Spend credit for purchases at over 35 lakh offline and online stores	₹1,190 Cr	408%
Instant Personal Loans (value of loans)		
Average ticket size ₹80,000 to ₹90,000 and average tenure of 12 to 14 months	₹516 Cr	1,925%
Merchant Cash Advance Loans (value of loans)		
Average ticket size ₹120,000 to ₹140,000 and average tenure of 12 to 14 months	₹474 Cr	128%

Q3 FY 2022 Business Update

Our business is to offer payments for consumers and merchants, and cross-sell high-margin financial services and commerce to them. We acquire customers on our consumer app for bill payments, money transfer and offline merchant payments, and offer them Paytm Payment Instruments (Paytm Wallet, Paytm Payments Bank account, and Paytm Postpaid) and Paytm UPI. We acquire merchants for QR payments, EDC and Soundbox devices and Payment Gateway (for online merchants). We use insights from our platform to offer various financial products to our customers and merchants. We also provide high-margin Commerce and Cloud services to our merchants to help them enable commerce using the Paytm App.

Growth of our ecosystem has accelerated

We continue to rapidly expand our customer and merchant base. Number of consumers on our platform is now over 350 mn and our merchant base has expanded to 24.9 mn (from 20.0 mn a year ago). Our monthly transacting users (MTU) grew consistently over this fiscal year. Average monthly transacting users (MTU) on our platform in Q3 FY 2022 was 64.4 mn, growth of 37% Y-o-Y and 12% Q-o-Q. Our customers are showing greater retention and higher engagement (measured by average GMV and transaction per customer).

GMV is the amount processed on our platform when a customer is making a payment to a merchant using any instrument. Our GMV for Q3 FY 2022 was 2.5 Lakh Cr. We process payments from all instruments (which include Paytm Payment Instruments, netbanking, credit and debit cards, UPI) and we earn MDR on the transactions where payment is made through MDR bearing instruments. Our GMV from processing payments through MDR bearing instruments grew 77% Y-o-Y.

Increased adoption of Payment Services to Consumers

Payment Services to Consumers encompasses payments done by consumers on the Paytm app, where we earn MDR and certain fees. Revenue from Payment Services to Consumers was up 60% Y-o-Y and 15% Q-o-Q to ₹406 Cr, driven by growth in transaction volumes of our Paytm Payment Instruments and expansion of use-cases on the Paytm app.

Payment Services to Merchants has expanded

Payment Services to Merchants include our merchant offerings of QR payments, EDC and Soundbox devices, and Payment Gateway. We earn MDR on the GMV processed for merchant payments (for MDR bearing instruments) and additionally earn subscription fee for devices. We were able to accelerate deployments in our devices business with an increase of 1.4 mn devices over the last year to 2.0 mn devices by the end of Q3 FY 2022. Revenue from Payment Services to Merchants was up 117% Y-o-Y and 46% Q-o-Q to ₹586 Cr driven by MDR-bearing payment GMV growth, new large partner wins in Payment Gateway services and growth in number of EDC and Soundbox devices. On a Q-o-Q basis, our revenue growth also includes the impact of increase in spending during the festive season.

Massive scale up of Financial Services

We have been able to monetise our customers and merchant base by offering them financial services through our financial institution partners. Revenue from Financial Services and Others grew by 201% Y-o-Y and 41% Q-o-Q to ₹125 Cr in Q3 FY 2022. Our Lending business scaled rapidly over the quarter, with 4.4 mn loan disbursals through the platform, a 401% year on year. The value of these loans was ₹2,181 Cr, growth of 366% Y-o-Y.

Our Lending business is designed to provide easy and inclusive access to credit, through our financial institution partners, to our consumer and merchant base. Through our distribution, insights and collection capabilities, our partners are able to offer credit solutions to users who were otherwise a part of a largely untapped market and are able to disburse a large number of loans at healthy margins. Our ability to distribute small value loans helps customer and merchants get access to credit which they could often otherwise not have access to. Small value loans are our strength and differentiator. Credit to merchants also addresses a key need of lending to priority sectors. Our partners see great value in working with us and have expanded our partnerships to offer more services. Our lending business has been through two waves of covid and our partners have seen their portfolios perform well with increased loans at healthy levels of RoA. We are continually co-creating risk models with our lending partners, which helps achieve scale and risk based pricing. Our own collection technology platform aids digital collection, with better efficiency and lower operating expenses and is a differentiator for our lending business.

All of our lending products, Paytm Postpaid (Buy Now Pay Later), Personal Loans and Merchant Loans, have strong market acceptance and are seeing great traction. Merchant acceptance network continues to grow and Paytm Postpaid is now available at more than 3.5 mn online and offline merchants. We continue to leverage cross-selling opportunities, clearly demonstrated in the case of personal loans, over 50% of which were disbursed to our existing Paytm Postpaid users.

Strong growth in Merchant Services (Commerce and Cloud)

We also offer other merchant services, such as commerce and cloud, which give our merchant partners the opportunity to efficiently manage and grow their business by leveraging our customer base. During the quarter, our Commerce business benefited from the festive season and lower COVID interruptions. Although with the onset of Omicron in late December, our ticketing business has seen some impact in late December and January. Our Cloud business, particularly PAI Cloud, and the Advertising business both ramped up during the quarter, helped partly by seasonality. Revenue from Commerce was ₹135 Cr, up 57% Y-o-Y and 61% Q-o-Q. Revenue from Cloud increased to ₹205 Cr up 69% Y-o-Y and 28% Q-o-Q.

Rapid growth in other business segments

We see great potential in our focussed segments of Wealth, Insurance and Gaming which are growing rapidly in their respective segments.

New Products, partnerships and developments

During the quarter, we launched a new credit card in partnership with HDFC Bank. In January, we announced a partnership with Fullerton India to further enhance all our credit offerings for our consumers and merchants. RBI has also granted an approval to Paytm Payments Bank to operate as a Scheduled Payments Bank.

Paytm Payments Bank, also the largest issuer of Fastags in the country, launched the Paytm Transit Card, which can be used for travel (metro, railways, state-owned bus services), to pay toll & parking charges, to pay at offline merchant stores, and for online shopping and more.

Strong growth driver for UPI

In the UPI ecosystem, Paytm Payments Bank is the biggest beneficiary bank for UPI transactions, with a record 926 mn transactions in December 2021, as per NPCI data and is also one of the leading remitter banks for UPI transactions. PPBL also holds the majority market share in UPI Autopay mandate registration for recurring bill payments. The Bank's robust technology has enabled it to offer seamless, secure and superfast UPI money transfers, with the lowest technical decline rates in India.

Our contribution to digital payments was recently recognised on prestigious platforms

Recently, at the 'Digital Payments Utsav' held in Delhi, the Ministry of Electronics and Information Technology (MeitY) awarded Paytm Payments Bank five awards across four categories ('achieving highest volume of digital payment transactions – private sector bank', 'onboarding maximum merchants on digital payment modes in a rural area – private sector bank', 'maintaining the lowest average technical decline in BHIM UPI transactions' and 'onboarding maximum billers on BBPS platform') for its role in accelerating the growth of digital payments in the country. At the IAMAI 12th India Digital Awards, Paytm Payments Bank and Paytm Money received awards for "Most Innovative Bank" and "Excellence in Wealth Management", respectively.

We are committed to our mission to bring half a billion Indians into the mainstream economy

Digital payments in India have grown rapidly over the last few years and have a massive growth opportunity ahead. Government's and regulator's support in digitisation has been a massive enabler in expansion of digital payments; support for innovation such as CBDC is a clear recent example.

We are focussed on how we can offer our consumers and merchants, technology-led, easy-to-use digital products and services as well as easy and inclusive access to financial services. We thank our consumers, merchants and shareholders for their continued trust in us.

Q3 FY 2022 Financials Update

Revenue from
Operations

₹1,456 Cr
89% Y-o-Y

Contribution
Profit

₹454 Cr
560% Y-o-Y

EBITDA
(Before ESOP cost)

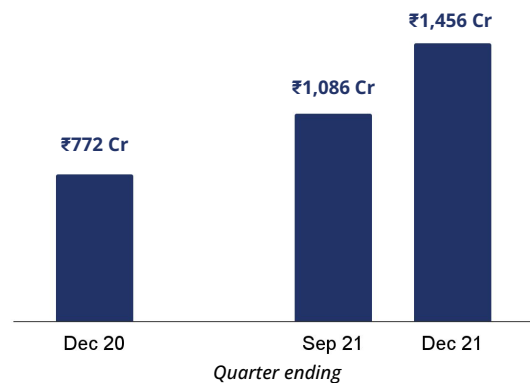
(₹393 Cr)
vs (₹488 Cr) in Q3 FY 2021

Robust Growth in Revenue from Operations

Our consolidated Revenue from Operations grew by 89% Y-o-Y and 34% Q-o-Q to ₹1,456 Cr in Q3 FY 2022 driven by growth in merchant payments through MDR bearing instruments, new device subscriptions and loan disbursements.

The Q-o-Q growth was driven by the higher festive season demand, particularly in our online and offline merchant business.

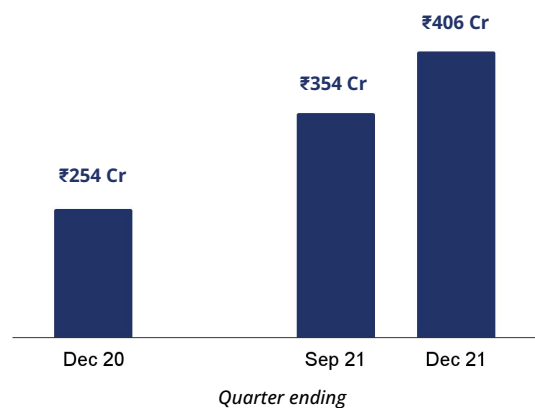
Revenue from Operations
Y-o-Y Growth 89% | Q-o-Q Growth 34%



Payment Services to Consumers

Revenue from Payment Services to Consumers was up 60% Y-o-Y to ₹406 Cr, driven by growth in transaction volumes of our Paytm Payment Instruments and introduction of new use-cases. The Q-o-Q growth was 15% primarily due to increased adoption of new use cases on the platform.

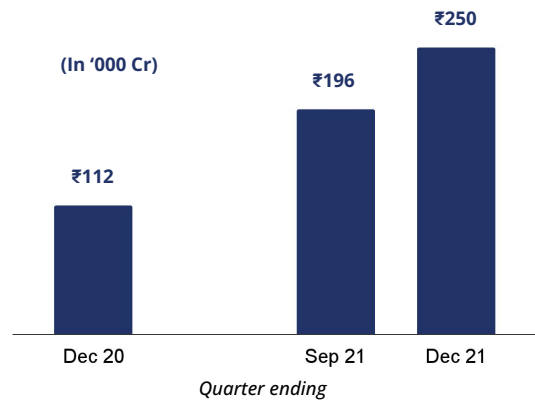
Revenue - Payment Services to Consumers
Y-o-Y Growth 60% | Q-o-Q Growth 15%



Our GMV at ₹2.5 Lakh Cr in Q3 FY 2022 was up 123% Y-o-Y and 28% Q-o-Q driven by growth in our online and offline merchant base, increase in the user engagement, and impact of the festive season.

GMV from MDR bearing instruments (non-UPI instruments) grew by 77% Y-o-Y.

Gross Merchandise Value
Y-o-Y Growth 123% | Q-o-Q Growth 28%

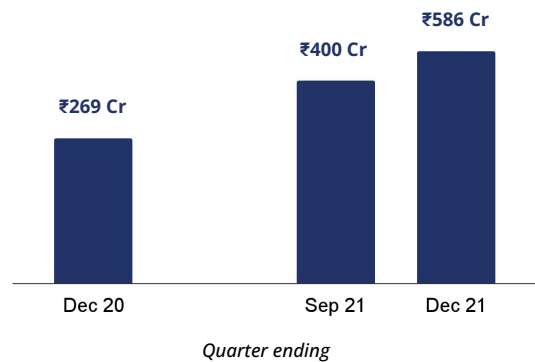


Payment Services to Merchants

Revenue from Payment Services to Merchants was up 117% Y-o-Y to ₹586 Cr driven by MDR-bearing instrument GMV growth, new large partnerships in Payment Gateway services and growth in device subscriptions (resulting in both MDR and subscription income). The revenue growth was also supported by incentives received from partner banks for various payment partnerships.

On a Q-o-Q basis, our revenue grew 46% driven by growth in our device merchant base and an increase in online and offline spending during the festive season.

Revenue - Payment Services to Merchants
Y-o-Y Growth 117% | Q-o-Q Growth 46%



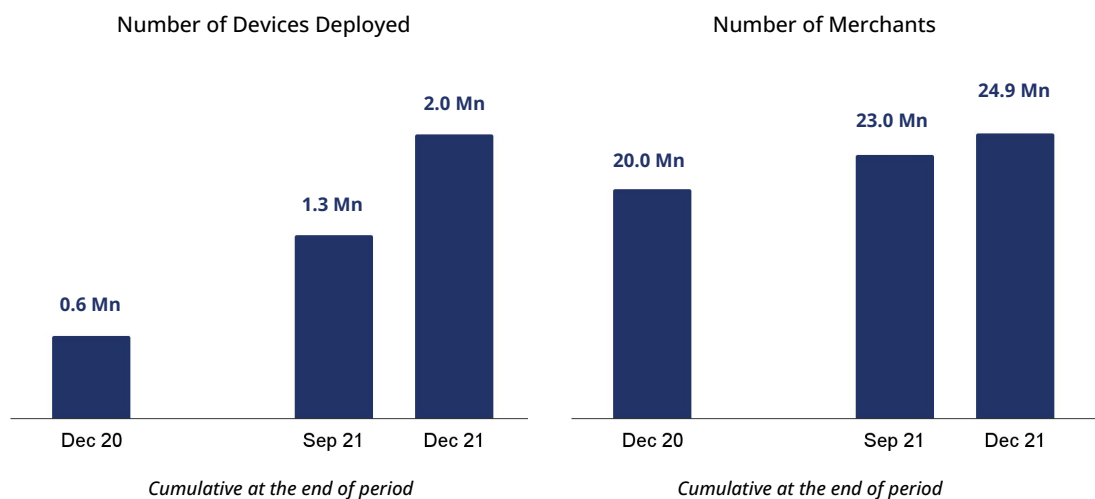
Payment Gateway

Recently we have onboarded some large merchants, including a leading ride-sharing company, India's largest life insurance company, and a leading e-commerce company. Transactions and GMV growth driven by e-commerce festive sales and major sporting events led to an uptick in online gaming and food ordering. Paytm continues to strengthen services offered to its merchant base beyond payment processing through offerings such as CoFT (Cards on File Tokenization) and Router.

Offline Payments

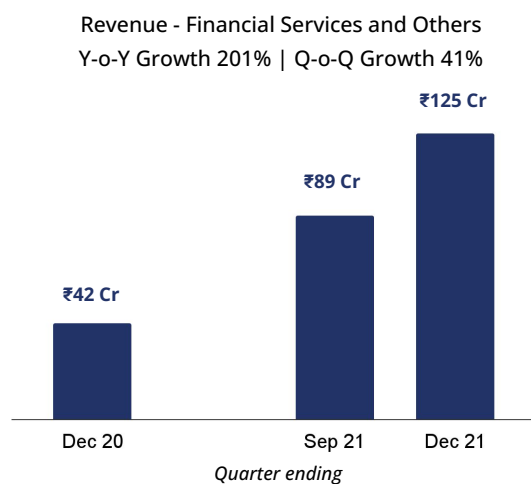
Our Offline Payments business remains one of our primary means to onboard small merchants in a cost effective and scalable way, helping us to create a large payment network and a channel to cross sell and upsell our other use cases such as lending and devices; as well as provide a high frequency transaction use case to our consumers.

We continued to witness acceleration of device subscriptions with an increase of 1.4 mn devices deployed over the last 12 months, to 2.0 mn devices. Growth over the quarter was supported by new bank partnerships, brand integrations in EMI and festive season sales.



Financial Services and Others

Revenue from Financial Services and Others grew by 201% Y-o-Y to ₹125 Cr in Q3 FY 2022. The growth in revenue was primarily driven by 366% growth in the value of loans disbursed. The Q-o-Q growth in revenue was 41%, driven by an increase in disbursements to our merchant base and uptick in our BNPL product, Paytm Postpaid as well as personal loans.

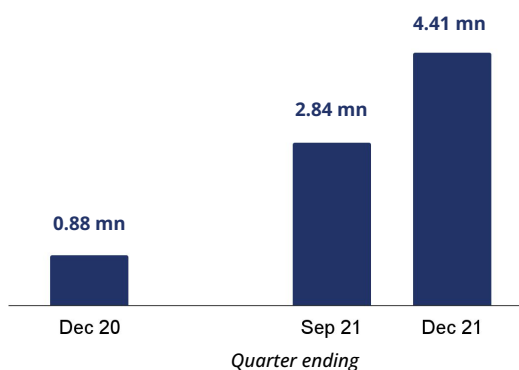


The MDR from merchants on Paytm Postpaid and the revenues from our credit card partnerships is not recorded in Revenue from Financial Services and Others. MDR is recorded in Payment Services to Consumers or Payment Services to Merchants, whereas revenue from our credit card partnerships is recorded in Cloud revenues.

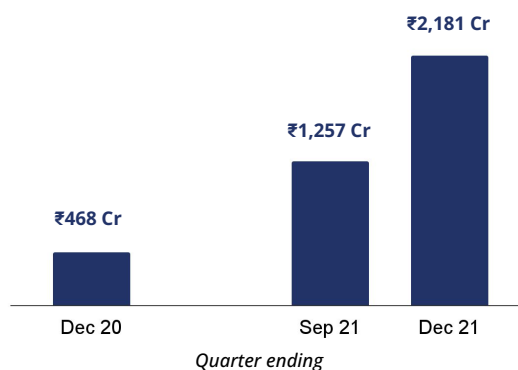
Lending

The number of loans through our platform grew to 4.4 mn in Q3 FY 2022, representing a growth of 401% Y-o-Y and 55% Q-o-Q. The value of these loans grew 366% Y-o-Y and 73% Q-o-Q, to ₹2,181 Cr. We have seen strong growth across all our products: Paytm Postpaid (BNPL), personal loans and merchant loans. We have expanded partnerships to 8 banks and NBFCs.

Number of Loans Disbursed through Paytm
Y-o-Y Growth 401% | Q-o-Q Growth 55%



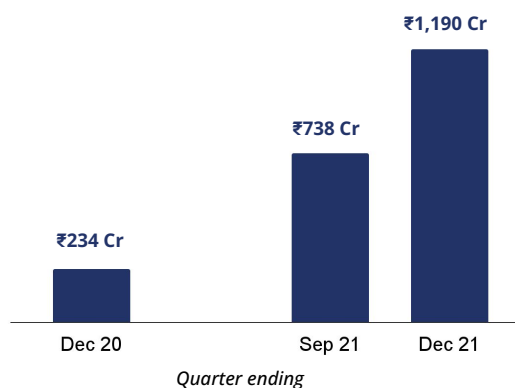
Value of Loans Disbursed through Paytm
Y-o-Y Growth 366% | Q-o-Q Growth 73%



Paytm Postpaid

Number of Postpaid Loans disbursed grew 407% Y-o-Y in Q3 FY 2022, while the value of Postpaid Loans grew 408% Y-o-Y. We have witnessed strong growth in new user sign ups; and the user base has now crossed 3 Mn. Over 30% of monthly new sign ups are new to credit users. Merchant acceptance continues to grow and Paytm Postpaid is now available at more than 3.5 mn online and offline merchants.

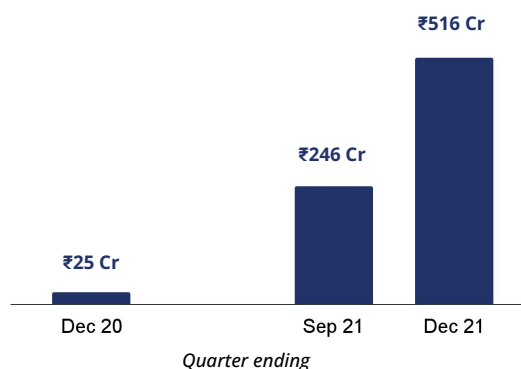
Value of Loans - Postpaid
Y-o-Y Growth 408% | Q-o-Q Growth 61%



Personal Loans

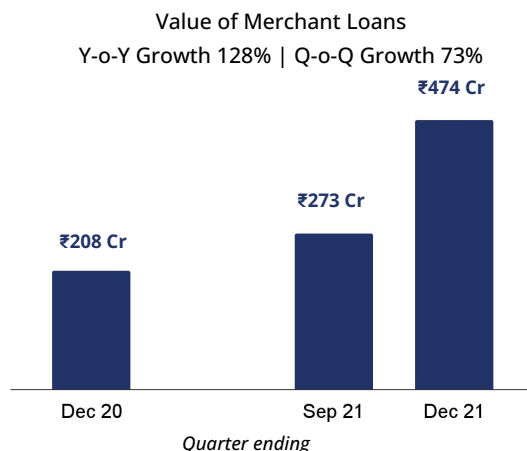
Number of Personal Loans disbursed grew 1,187% Y-o-Y in Q3 FY 2022, while the value of Personal Loans grew 1,925% Y-o-Y. We see a significant potential to cross-sell as over 50% of personal loans were disbursed to our existing Paytm Postpaid users. Average ticket size ranged from ₹80,000-90,000 with average tenure of 12-14 months.

Value of Personal Loans
Y-o-Y Growth 1,925% | Q-o-Q Growth 110%



Merchant Loans

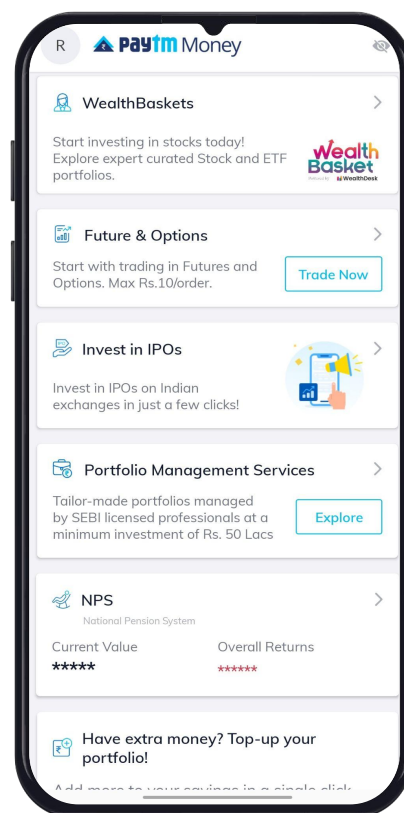
Number of Merchant Loans disbursed grew 38% Y-o-Y in Q3 FY 2022, while the value of Merchant Loans grew 128% Y-o-Y. More than 25% of loans were disbursed to new to credit borrowers. Average ticket size continues to increase with scale, now at ₹120,000-140,000 with average tenure of 12-14 months. Repeat loans have seen a healthy take up, with 25% of merchants having taken a loan more than once.



Other Financial Services

Paytm Money recorded the highest number of Traded Orders ever in December 2021 and traded orders for the quarter grew 42% Q-o-Q. We also achieved the highest gross client addition with a growth of 40% Q-o-Q in new Equity Accounts. We launched new features like Margin Pledge, Portfolio Management Services, Voice Trading, Messenger based advice & news and partnered with InvestorAi to provide stock recommendations based on algorithms.

In our insurance business, we enhanced our offering by launching all types of insurance plans (Comprehensive, Own Damage and Third Party), and have also enabled buying of insurance policies post expiry of the existing policy. Today, customers can compare options from 15+ insurers offering 90+ products on our platform.



Commerce and Cloud Services

Revenues from Commerce and Cloud services went up by 64% Y-o-Y to ₹339 Cr and 39% Q-o-Q.

Commerce

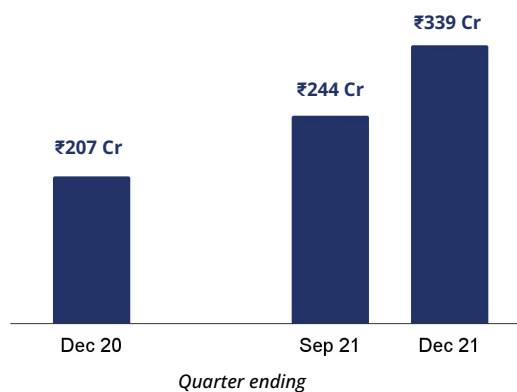
Revenue from Commerce at ₹135 Cr, up 57% Y-o-Y and 61% Q-o-Q was helped by the festive season and lower COVID interruptions during the quarter. With the onset of Omicron in late December, our ticketing business has seen some impact in late December and January.

Cloud

Revenue from Cloud increased to ₹205 Cr up 69% Y-o-Y and 28% Q-o-Q, primarily due to strong growth in the revenue from advertising, PAI Cloud and credit cards.

In our Advertising business, we engaged 424 advertisers during the quarter. We launched a new ad format on our platform in Q1 this year, which has seen a strong adoption with more than 40% of our ad revenue in the recent quarter.

Revenue - Commerce and Cloud Services
Y-o-Y Growth 64% | Q-o-Q Growth 39%

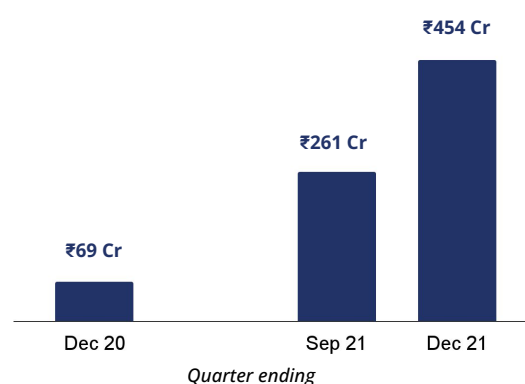


560% growth in Contribution Profit

We have achieved a step-change in the level of our contribution profit between FY 2021 and FY 2022. The contribution profit for Q3 FY 2022 at ₹454 Cr represents a 560% Y-o-Y growth.

Our contribution margin as a % of revenue improved to 31.2% in Q3 FY 2022 from 8.9% in Q3 FY 2021 and 24.0% in Q2 FY 2022 with margin improvement in Payments; growth in high margins offerings such as lending, advertising and commerce.

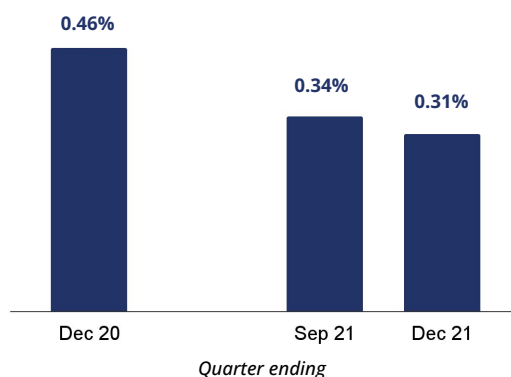
Contribution Profit
Y-o-Y Growth 560% | Q-o-Q Growth 74%



Reduction of Payment processing charges

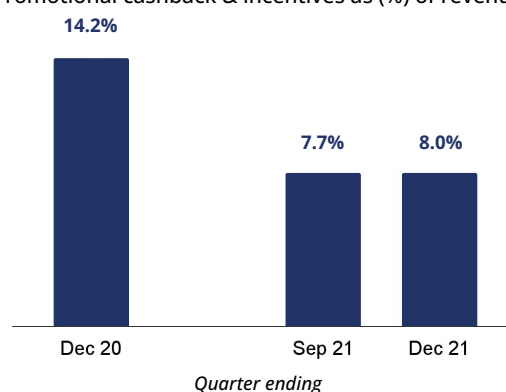
(₹783 Cr in Q3 FY 2022) from 0.46% of GMV in Q3 FY 2021 and 0.34% in Q2 FY 2022 to 0.31% in Q3 FY 2022. This was as a result of technology driven optimization of our transaction routing, a higher share of UPI in the instrument mix, and improvement in transaction rates from banks owing to our increasing scale.

Payment Processing charges as (%) of GMV

**Promotional cashback & incentives**

at ₹117 Cr down from 14.2% of revenues in Q3 FY 2021 to 8.0% in Q3 FY 2022 (vs 7.7% in Q2 FY 2022), as we were able to increase our customer engagement at a lower cost, and an increasing share of total cashback funding from partners, primarily banks. Similar trend observed in Other expenses which at ₹103 Cr were down from 9.8% of revenues in Q3 FY 2021 to 7.1% in Q3 FY 2022 (6.7% in Q2 FY 2022).

Promotional cashback & incentives as (%) of revenue



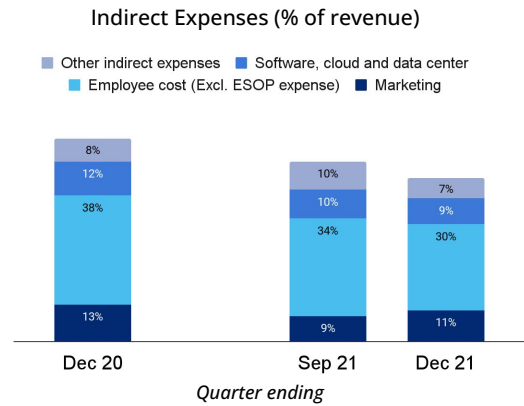
Indirect Expenses (Excluding ESOP cost) reduced from 72% of revenues in Q3 FY 2021 to 58% of revenues in Q3 FY 2022

Continued reduction of Marketing expenses: These expenses (excluding promotional cashback and incentives) of ₹166 Cr in Q3 FY 2022, were 11% of revenues, down from 13% of revenues in Q3 FY 2021, even as we have increased Average MTUs by 17.3 mn from Q3 FY 2021 to Q3 FY 2022. On an absolute basis, these costs are 64% higher Y-o-Y and 63% higher Q-o-Q, in part due to the seasonality in our spends on cricket sponsorships which are related to the schedule of cricket matches. There was an increase of sponsorship expenses of approximately ₹20 Cr in Q3 FY 2022, as compared to the previous quarter.

Strong Investments in Talent Acquisition: Our Employee cost (excluding ESOP cost) of ₹442 Cr is 49% higher Y-o-Y (20% higher Q-o-Q) as we continue to invest in our sales teams for merchant acquisition and technology teams. This cost has reduced to 30% of revenues from 38% of revenues during the prior year period. We expect the growth of Employee cost to moderate in the future.

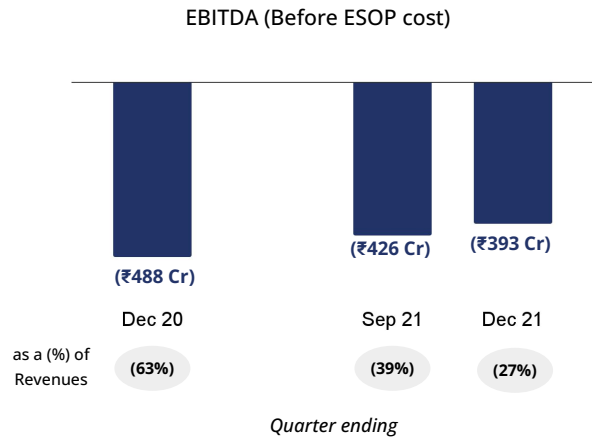
Continued investments in Cloud Infrastructure: Our Software, Cloud and Data Center costs of ₹130 Cr in Q3 FY 2022 are 37% higher Y-o-Y, despite GMV growing by 123% Y-o-Y, as we continue to invest in cloud infrastructure to support our growing transaction volumes and GMV. These costs have reduced from 12.3% of revenues in Q3 FY 2021 to 8.9% in Q3 FY 2022.

Other Indirect costs at ₹108 Cr reduced from 8.3% of revenues in Q3 FY 2021 to 7.4% in Q3 FY 2022. On an absolute basis, these costs are 70% higher Y-o-Y due to increase in our subcontracting expenses with the expansion of our field sales team. We expect this growth to moderate in the future.



EBITDA (before ESOP cost) losses reducing

EBITDA (before ESOP cost) margin improved to (27%) of revenues in Q3 FY 2022 (₹393 Cr), from (63%) of revenues Q3 FY 2021 (₹488 Cr) and (39%) of revenues in Q2 FY 2022 (₹426 Cr) despite increased investments in technology, merchant and user base expansion.



ESOP charges of ₹366 Cr recorded in Q3 FY 2022 pertains to grant of 26.6 mn Employee Stock Option (ESOPs) in this quarter.

We are well funded with Net Cash, Cash Equivalent and investable balance of **₹10,215 Cr**, as of December 2021.

Summary of Consolidated Financial Performance

Particulars (in ₹ Cr)	Quarter Ended					Nine months ended		
	Dec-21 (Unaudited)	Dec-20 (Unaudited)	Y-o-Y	Sep-21 (Unaudited)	Q-o-Q	Dec-21 (Unaudited)	Dec-20 (Unaudited)	Y-o-Y
Payments & Financial Services	1,116.8	564.9	98%	842.6	33%	2,648.8	1,492.5	77%
Payment Services to Consumers	405.8	253.9	60%	353.6	15%	1,059.9	691.4	53%
Payment Services to Merchants	585.8	269.4	117%	400.3	46%	1,320.1	710.8	86%
Financial Services and Others	125.2	41.6	201%	88.7	41%	268.8	90.3	198%
Commerce & Cloud Services	339.3	207.1	64%	243.8	39%	784.5	494.6	59%
Commerce	134.8	85.8	57%	83.8	61%	270.3	162.1	67%
Cloud	204.5	121.3	69%	160.0	28%	514.2	332.5	55%
Revenue from Operations	1,456.1	772.0	89%	1,086.4	34%	3,433.3	1,987.1	73%
Payment processing charges	783.1	517.7	51%	670.0	17%	1,979.6	1,408.1	41%
As % of GMV	0.31%	0.46%	(15 bps)	0.34%	(3 bps)	0.33%	0.51%	(18 bps)
Promotional cashback & incentives	116.6	110.0	6%	83.3	40%	260.6	215.7	21%
Other Expenses	102.7	75.6	36%	72.4	42%	234.2	174.9	34%
Total Direct Expenses	1,002.4	703.3	43%	825.7	21%	2,474.4	1,798.7	38%
Contribution Profit	453.7	68.7	560%	260.7	74%	958.9	188.4	409%
Contribution Margin %	31.2%	8.9%	2,226 bps	24.0%	716 bps	27.9%	9.5%	1,845 bps
Indirect Expenses								
Marketing	166.5	101.8	64%	102.4	63%	345.9	216.7	60%
Employee cost (Excl ESOPs)	441.8	295.6	49%	367.2	20%	1,120.7	766.2	46%
Software, cloud and data center	130.1	95.1	37%	112.9	15%	348.8	241.8	44%
Other indirect expenses	108.1	63.7	70%	103.7	4%	293.7	199.0	48%
EBITDA (Before ESOP cost)	(392.8)	(487.5)	nm	(425.5)	nm	(1,150.2)	(1,235.3)	nm
EBITDA (Before ESOP cost) Margin %	(27.0%)	(63.1%)	3,617 bps	(39.2%)	1,219 bps	(33.5%)	(62.2%)	2,867 bps

Summary of Key Operational Metrics

Operational KPIs	Units	Quarter Ended			Nine months ended		
		Dec-21	Dec-20	Y-o-Y	Dec-21	Dec-20	Y-o-Y
GMV	₹ '000 Cr	250	112	123%	593	277	114%
Merchant Transactions	Mn	3,477	1,587	119%	8,456	3,788	123%
Total Transactions	Mn	4,266	2,038	109%	10,367	4,847	114%
MTU (average over the period)	Mn	64.4	47.1	37%	57.4	43.3	33%
Monthly GMV per MTU	₹	12,950	7,934	63%	11,477	7,097	62%
Registered Merchants (end of period)	Mn	24.9	20.0	na	24.9	20.0	na
Loans	'000	4,414	881	401%	8,688	1,253	593%
Devices Deployed (cumulative; end of period)	Mn	2.0	0.6	na	2.0	0.6	na
Average number of Sales Employees	#	18,691	6,168	203%	12,160	4,290	183%

Number of sales employees includes on-roll and off-roll employees

Cost of our sales force (including training) was ₹128.3 Cr for Q3 FY 2022, up from ₹93.7 Cr for Q2 FY 2022

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	Average GMV per transacting user in a 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

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

Particulars (in ₹ Cr)	Quarter Ended			Nine months ended	
	Dec-21 (Unaudited)	Dec-20 (Unaudited)	Sep-21 (Unaudited)	Dec-21 (Unaudited)	Dec-20 (Unaudited)
EBITDA before ESOP cost (A)	(392.8)	(487.5)	(425.5)	(1,150.2)	(1,235.3)
ESOP cost (B)	(389.5)	(41.5)	(19.3)	(447.8)	(70.9)
Initial Public Offer expenses (C)	(5.6)	0.0	(7.6)	(13.2)	0.0
Finance costs (D)	(12.5)	(9.2)	(10.2)	(32.4)	(27.7)
Depreciation and amortization expense (E)	(60.9)	(38.2)	(50.4)	(152.2)	(127.5)
Other income (F)	77.3	95.5	48.1	182.6	287.9
Share of profit / (loss) of associates / joint ventures (G)	11.1	(24.3)	(6.6)	(7.6)	(40.5)
Exceptional items (H)	0.0	(20.0)	0.0	(2.4)	(28.0)
Income Tax expense (I)	(5.6)	(10.3)	(2.0)	(10.7)	(14.6)
Loss for the period (J=A+B+C+D+E+F+G+H+I)	(778.5)	(535.5)	(473.5)	(1,633.9)	(1,256.6)
EBITDA before ESOP cost	(392.8)	(487.5)	(425.5)	(1,150.2)	(1,235.3)
EBITDA before ESOP cost Margin %	(27.0%)	(63.1%)	(39.2%)	(33.5%)	(62.2%)

About Paytm:

Paytm is India's leading digital payments and financial services company, which is focused on driving consumers and merchants to its platform by offering them a variety of payment use cases and then cross-selling them higher margin financial services products. The platform has over 350 million users and 25 million merchants. Paytm offers a) payments to consumers and merchants, b) financial services, particularly lending, and c) other merchant services (Commerce and Cloud). The company provides consumers with services like utility payments and money transfers, while empowering them to pay via Paytm Payment Instruments (PPI) like Paytm Wallet, Paytm UPI, Paytm Payments Bank Netbanking, Paytm FASTag and Paytm Postpaid - Buy Now, Pay Later. To merchants, Paytm offers acquiring devices like Soundbox, EDC, QR and Payment Gateway where payment aggregation is done through PPI and also other banks' financial instruments. To further enhance merchants' business, Paytm offers merchants commerce services through advertising and Paytm Mini app store. Operating on this platform leverage, the company then offers credit services such as merchant loans, personal loans and BNPL, sourced by its financial partners.

The company is on a mission to bring half a billion Indians into the mainstream economy.

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.

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.

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.

Q3 FY 2022 Earnings Call Information

Paytm will hold its earnings conference call for shareholders, investors and analysts on **Saturday, February 5, 2022 from 15:00-16:30 Indian Standard Time**, to discuss the financial results of the Company for the quarter and nine months ended December 31, 2021 and business outlook.

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

https://paytm.zoom.us/webinar/register/WN_F3n24QOeQ4--Xnc6jXDGAQ

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

Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
One97 Communications Limited
B-121, Sector 5, Noida
Uttar Pradesh- 201301

1. We have reviewed the Unaudited Consolidated Financial Results of One97 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 December 31, 2021 and the year to date results for the period April 1, 2021 to December 31, 2021 which are included in the accompanying Statement of Unaudited Consolidated Financial Results for the quarter and nine months period ended December 31, 2021 (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 and nine months ended December 31, 2021, quarter and half year ended September 30, 2021, and Consolidated Financial Statements for the year ended March 31, 2021. 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.



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Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-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 9 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 6 to the Statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- b) Note 10 to the Statement which describes:
- i. non-realisation of foreign currency receivables as at December 31, 2021 aggregating to INR 403 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 of certain balances and write-off of the remaining balances.
- ii. non-settlement of foreign currency payables as at December 31, 2021 amounting to INR 0.04 million and INR 1.26 million, due for more than twelve months (extended from six months via RBI circular - RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years respectively, being the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) issued by the RBI. The Parent Company has filed an application to the RBI for permission to write-back the aforesaid payable balances.
- c) Note 9 to the Statement which describes the compounding application filed by the Parent Company under Section 441, read with Section 62(1)(b) and Section 450 of the Act, read with the Rules to compound the non-compliance with the provisions of Section 62(1)(b) of the Act, read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. As stated in the aforesaid Note, the Parent Company had cancelled the said ESOP grants and shares allotted in the past have been transferred to the Paytm Associate Benefit Welfare Trust (formerly known as One 97 Employee Welfare Trust) and the Parent Company is awaiting the outcome of the aforesaid compounding application.
- d) Note 8(c) 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.

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

7. The following emphasis of matter paragraph has been included in the independent auditor's report dated January 21, 2022 issued by independent firm of chartered accountants on the review of the Unaudited Interim Condensed Financial Statements of Nearbuy India Private Limited which has been reported as under:

“Emphasis of Matter – Effects of COVID-19

We draw attention to Note 1(a) of the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at December 31, 2021 and the operations of the Company. Our conclusion is not modified in respect of this matter.”

Note 1(a) referred above corresponds to Note 8(a) to the Statement.

8. The following emphasis of matter paragraph has been included in the independent auditor's report dated January 24, 2022 issued by independent firm of chartered accountants on the review of the Unaudited Interim Condensed Financial Statements of Wasteland Entertainment Private Limited which has been reported as under:

“Emphasis of Matter

We draw attention to Note 2.1 to the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at December 31, 2021 and the operations of the Company. Our conclusion is not modified in respect of this matter.”

Note 2.1 referred above corresponds to Note 8(b) to the Statement.

9. 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 865 million and INR 2,265 million, total net loss after tax of INR 273 million and INR 597 million and total comprehensive loss of INR 273 million and INR 598 million, for the quarter ended December 31, 2021 and for the nine months ended December 31, 2021, respectively, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net profit after tax (including total comprehensive income) of INR 160 and INR 192 for the quarter ended December 31, 2021 and for the nine months ended December 31, 2021 respectively, 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.



10. 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 106 million and INR 141 million, total net profit after tax of INR 27 million and INR (-) 20 million and total comprehensive Income of INR 27 million and INR (-) 20 million for the quarter ended December 31, 2021 and for the nine months ended December 31, 2021, respectively, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net loss after tax (including total comprehensive loss) of INR 8 and INR 14 for the quarter ended December 31, 2021 and for the nine months ended December 31, 2021, respectively, 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.
11. We have not audited or reviewed the comparative financial information for the quarter and nine months period ended December 31, 2020 included in the Statement. These have been prepared solely based on the information compiled by the management.

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



Amitesh Dutta
Partner
Membership Number: 058507
UDIN: 22058507AAKSLV6191

Place: Gurugram
Date: February 4, 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	Loginext Solutions Private Limited#
9	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)

*During the previous year, the Group lost its control over the entity on dilution of interest, however, the Parent Company still exercises significant influence over the same.

#During the previous year, the Group ceased to have significant influence over the entity.



Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2021

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
			Refer note 11		Refer note 11	
Income						
Revenue from operations	14,561	10,864	7,720	34,333	19,871	28,024
Other income	773	481	955	1,826	2,879	3,844
Total income	15,334	11,345	8,675	36,159	22,750	31,868
Expenses						
Payment processing charges	7,831	6,700	5,177	19,796	14,081	19,168
Marketing and promotional expenses	2,831	1,857	2,118	6,065	4,324	5,325
Employee benefits expense	8,313	3,865	3,371	15,685	8,371	11,849
Software, cloud and data centre expenses	1,301	1,129	951	3,488	2,418	3,498
Depreciation and amortization expense	609	504	382	1,522	1,275	1,785
Finance costs	125	102	92	324	277	348
Other expenses	2,164	1,837	1,393	5,411	3,739	5,857
Total expenses	23,174	15,994	13,484	52,291	34,485	47,830
Loss before share of profit / (loss) of associates / joint ventures, exceptional items and tax	(7,840)	(4,649)	(4,809)	(16,132)	(11,735)	(15,962)
Share of profit/ (loss) of associates / joint ventures	111	(66)	(243)	(76)	(405)	(740)
Loss before exceptional items and tax	(7,729)	(4,715)	(5,052)	(16,208)	(12,140)	(16,702)
Exceptional items (Refer note 3)	-	-	(200)	(24)	(280)	(281)
Loss before tax	(7,729)	(4,715)	(5,252)	(16,232)	(12,420)	(16,983)
Income Tax expense						
Current tax	65	5	113	113	161	34
Deferred tax expense/(credit)	(9)	15	(10)	(6)	(15)	(7)
Total Tax expense	56	20	103	107	146	27
Loss for the period / year	(7,785)	(4,735)	(5,355)	(16,339)	(12,566)	(17,010)
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	22	(45)	(20)	(16)	(19)	(17)
Changes in fair value of equity instruments at FVTOCI	-	-	-	-	(53)	(53)
Items that may be reclassified to profit or loss in subsequent period / year						
Exchange differences on translation of foreign operations	(1)	(37)	(3)	8	24	40
Total Other Comprehensive Income/(Loss) for the period / year	21	(82)	(23)	(8)	(48)	(30)
Total Comprehensive Income/ (Loss) for the period / year	(7,764)	(4,817)	(5,378)	(16,347)	(12,614)	(17,040)
Loss for the period / year						
Attributable to:						
Owners of the parent	(7,784)	(4,729)	(5,350)	(16,315)	(12,543)	(16,961)
Non-controlling interests	(1)	(6)	(5)	(24)	(23)	(49)
Other comprehensive income for the period / year						
Attributable to:						
Owners of the parent	21	(82)	(23)	(8)	(49)	(30)
Non-controlling interests	*	*	*	*	1	*
Total comprehensive income/(loss) for the period / year	21	(82)	(23)	(8)	(48)	(30)
Attributable to:						
Owners of the parent	(7,763)	(4,811)	(5,373)	(16,323)	(12,592)	(16,991)
Non-controlling interests	(1)	(6)	(5)	(24)	(22)	(49)
Paid up equity share capital	648	610	604	648	604	605
Face value of the share (Refer note 2)	1	1	10	1	10	10
Other Equity for the year						64,743
Earnings per share (INR per share of INR 1 each) (not annualised) (Refer note 2)						
Basic	(12)	(8)	(9)	(27)	(21)	(28)
Diluted	(12)	(8)	(9)	(27)	(21)	(28)

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

- 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 and nine months ended December 31, 2021, quarter and half year ended September 30, 2021, and Consolidated Financial Statements for the year ended March 31, 2021 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 and its subsidiaries (collectively "the Group") and its interest in associates and joint ventures have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on February 4, 2022.
- Pursuant to approval of the shareholders of the Company in their meeting held on June 30, 2021, the Company, on June 30, 2021, has sub-divided equity share of INR 10 each into 10 Equity Shares of INR 1 each. Consequently, the basic and diluted earnings per share have been computed for all periods presented in the Unaudited Consolidated Financial Results on the basis of the new number of equity shares in accordance with Ind AS 33, Earning per share.

- Exceptional items include:

(Amount in INR Million)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
			Refer note 11		Refer note 11	
Impairment of Goodwill and Intangibles	-	-	-	(24)	-	-
Impairment of investment in Associates	-	-	(200)	-	(300)	(300)
Gain/(Loss) on sale of investment in Associates and Subsidiaries	-	-	-	-	20	19
Total	-	-	(200)	(24)	(280)	(281)

- 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.

During the year ended March 31, 2021, the Group reassessed the basis of segment reporting. Earlier, the Group disclosed four reportable segments that were Payment, Commerce, Cloud and others. The segment reporting for the comparative periods has been restated for this change in segment reporting.

- During the quarter ended December 31, 2021, the Company has 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 has 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 has been adjusted to securities premium.



One 97 Communications Limited
Notes to the Unaudited Consolidated Financial Results

Details of utilisation of 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	Utilised up to December 31, 2021	Un-utilised as on December 31, 2021
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		41,762
	i) Marketing and promotional expenses		184	
	ii) Expanding our merchant base and deepening our partnership with our merchants		698	
	iii) Strengthening and expanding our technology powered payments platform		356	
	Total (A)	43,000	1,238	41,762
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	172	17,962
	Total (C)	18,134	172	17,962
	Total (A+B+C)	81,134	1,410	79,724

IPO proceeds which were un-utilised as at December 31, 2021 were temporarily invested in fixed deposits with scheduled commercial banks.

6. COVID-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals. The Group has considered the possible effects that may result from COVID-19, on the carrying amount of the receivables, investments, goodwill etc. While making the assessment the Group has taken cognizance of internal and external information up to the date of approval of these Unaudited Consolidated Financial Results. The Group based on current estimates expects the carrying amount of the above assets will be recovered. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of these Unaudited Consolidated Financial Results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to the future economic conditions.
7. During the quarter ended December 31, 2021, the Company has granted 26,583,315 Employee Stock Option (ESOPs) which has resulted in an expense of INR 3,664 million. Out of the above (as disclosed in the prospectus dated November 11, 2021) a grant of 21,000,000 ESOP has been made to the Managing Director and CEO of the Company which is subject to achievement of certain milestones and will vest equally in 4 tranches, having minimum vesting period of 24 months, 36 months, 48 months and 60 months for each tranche respectively.



One 97 Communications Limited
Notes to the Unaudited Consolidated Financial Results

8. Notes given by the subsidiaries in their respective unaudited interim condensed financial statements

a) Nearby India Private Limited:

“The Company is primarily engaged in the business of developing local commerce marketplace that connects merchants to customers by offering services and goods of merchants. The outbreak of Coronavirus (COVID) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. Due to restrictions in various states in India, the Company’s operations have also been impacted. The Company expects the operations to normalize gradually post unlocking restrictions. The Company is also strategizing to enhance its service offering verticals and other measures to scale up its business. Further, the Company has considered the possible effects that may result from COVID on the carrying amount of its current assets on the basis of available information. The impact of COVID may impact the underlying assumptions and estimates used to prepare the Company’s financial statements, which may differ from that considered as at the date of approval of these financial statements.”

b) Wasteland India Private Limited:

“The Company is in the business of being a market place to sell tickets for live events through its portal www.insider.in and conduct partnership events. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. Due to lockdown in India, the operations of the Company have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize in near future. The Company is strategizing to enhance/explore its service offering verticals other measures to scale up its business. Although, there is revival in the economic activities and businesses across several sectors, there is limited business activity in relation Company’s regular operations on account of sector specific restrictions continued by the Government. Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information. The impact of COVID 19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.”

c) Paytm Entertainment Limited:

“The Company’s financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for 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 million 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 million 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.”

9. During the period ended June 30, 2021, the Company had filed an adjudication application under Section 454 read with Section 62(1)(b) and Section 450 of the Companies Act, 2013 before the office of the Registrar of Companies, NCT of Delhi & Haryana (ROC) on June 26, 2021, to adjudicate on the non-compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 (“the Act”) read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 (“the Rules”) in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. Consequently, the Company had cancelled the said ESOP grants on July 5, 2021. Further, the shares issued to the concerned employee pursuant to exercise of certain vested ESOPs were also transferred by the employee to Paytm Associate Benefit Welfare Trust (Formerly known as One97 Employee Welfare Trust). The cumulative charge recognized till date in respect of the aforesaid ESOPs amounted to INR 106 million.



One 97 Communications Limited
Notes to the Unaudited Consolidated Financial Results

During the quarter ended December 31, 2021, the ROC vide its order dated November 30, 2021, has directed the Company to move an appropriate application for composition of offence under the relevant provision of the Act. Consequently, the Company has filed a compounding application under section 441 read with section 62(1)(b) and Section 450 of the Act read with the Rules, before the Office of the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi ('RD') on December 25, 2021. Presently, the matter is pending with the RD for compounding and the Company has assessed that consequent adjustments, if any, in respect of the aforesaid matter would not have a material impact on the Unaudited Consolidated Financial Results.

10. As of December 31, 2021, the Group has certain foreign currency payable balances aggregating to INR 0.04* million and INR 1.26* million which are outstanding for more than twelve months (extended from six months via RBI circular -RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020, for the imports made up to or on July 31, 2020) and three years, respectively. The Company has filed an application to Reserve Bank of India (RBI) vide letters dated July 29, 2021 and August 9, 2021 to write-back payable balances of INR 1.30 million and approval is currently awaited.

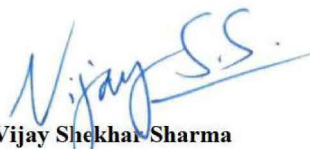
As of December 31, 2021, the Group also has certain foreign currency receivable balances aggregating to INR 74, INR 101 and INR 228 which are outstanding for more than nine months, fifteen months (extended from nine months via RBI circular- RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020, for the exports made up to or on July 31, 2020) and three years, respectively. The Group has applied to the AD Bank seeking permission for extension of time for realisation for receivables amounting to INR 113 and write-off of receivables amounting to INR 5. Further, an application has been made by Holding Company to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit of outstanding receivable balances amounting to INR 191 and write off of receivable balances amounting to INR 94 and approval is currently awaited. Subsequent to December 31, 2021, the Holding company has received approval from AD bank for extension of time w.r.t. certain receivables amounting to INR 62.

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

* Amount disclosed up to two decimal places

11. The Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2020 have not been audited or reviewed by our statutory auditors. However, the management has exercised necessary due diligence to ensure that the Unaudited Consolidated Financial Results for these periods provide a true and fair view of the Group's affairs.
12. Pursuant to amendment in Schedule III to the Companies Act, 2013 by Ministry of Corporate Affairs vide its notification dated March 24, 2021, the 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
One97 Communications Limited**


Vijay Shekhar Sharma
Chairman, Managing Director and CEO
Place: New Delhi
Date: February 4, 2022



Price Waterhouse Chartered Accountants LLP

Review Report

To,
The Board of Directors
M/s. One97 Communications Limited
B-121, Sector 5, Noida
Uttar Pradesh – 201301

1. We have reviewed the Unaudited Standalone Financial Results of One97 Communications Limited (the “Company”) for the quarter ended December 31, 2021 and the year to date results for the period April 1, 2021 to December 31, 2021 which are included in the accompanying Statement of Unaudited Standalone Financial Results for the quarter and nine months period ended December 31, 2021 (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 and nine months ended December 31, 2021, quarter and half year ended September 30, 2021, and Standalone Financial Statements for the year ended March 31, 2021. 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.



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- 122 002 T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-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. We draw your attention to the following matters:

- a) Note 7 to the Statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- b) Note 9 to the Statement which describes the compounding application filed by the Company under Section 441, read with Section 62(1)(b) and Section 450 of the Act, read with the Rules to compound the non-compliance with the provisions of Section 62(1)(b) of the Act, read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. As stated in the aforesaid Note, the Company had cancelled the said ESOP grants and shares allotted in the past have been transferred to the Paytm Associate Benefit Welfare Trust (formerly known as One 97 Employee Welfare Trust) and the Company is awaiting the outcome of the aforesaid compounding application.
- c) Note 10 to the Statement which describes:
 - i) non-realisation of foreign currency receivable balances as at December 31, 2021 aggregating to INR 397 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 of the remaining balances.
 - ii) non-settlement of foreign currency payables as at December 31, 2021 amounting to INR 0.04 million and INR 1.26 million, due for more than twelve months (extended from six months via RBI circular RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years, respectively, being the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) issued by the RBI. The Company has filed an application to the RBI for permission to write-back the aforesaid payable balances.

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

6. We have not audited or reviewed the comparative financial information for the quarter and nine months period ended December 31, 2020 included in the Statement. These have been prepared solely based on the information compiled by the management.

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



Amitesh Dutta
Partner
Membership Number: 058507
UDIN: 22058507AAKRG15781

Place: Gurugram
Date: February 4, 2022

One 97 Communications Limited
CIN: L72200DL2000PLC108985

Registered Office: First Floor, Devika Tower, Nehru Place, New Delhi 110 019, India; Tel: +91 11 2628 0280; Website: www.paytm.com
Corporate Office: B-121, Sector 5, Noida, Uttar Pradesh 201 301, India, Tel: +91 120 4770770; E-mail: compliance.officer@paytm.com

Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2021

Particulars	(Amounts in INR Million, unless otherwise stated)					
	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited) Refer note 11	(Unaudited)	(Unaudited) Refer note 11	(Audited)
Income						
Revenue from operations	9,210	10,515	7,422	28,193	18,920	26,671
Other income	783	441	944	1,749	2,853	3,749
Total income	9,993	10,956	8,366	29,942	21,773	30,420
Expenses						
Payment processing charges	3,674	6,686	5,169	15,614	14,070	19,131
Marketing and promotional expenses	2,618	1,802	2,094	5,759	4,221	5,209
Employee benefits expense	6,716	2,884	2,323	12,248	5,832	8,339
Software, cloud and data centre expenses	1,121	1,069	866	3,187	2,262	3,207
Depreciation and amortization expense	560	456	316	1,382	1,096	1,568
Finance costs	117	99	83	308	247	337
Other expenses	2,985	2,493	2,163	7,360	5,125	7,578
Total expenses	17,791	15,489	13,014	45,858	32,853	45,369
Loss before exceptional items and tax	(7,798)	(4,533)	(4,648)	(15,916)	(11,080)	(14,949)
Exceptional items (Refer note 3)	-	(79)	(550)	(441)	(650)	(650)
Loss before tax	(7,798)	(4,612)	(5,198)	(16,357)	(11,730)	(15,599)
Income Tax expense						
Current tax	-	-	-	3	-	2
Total Tax expense	-	-	-	3	-	2
Loss for the period / year	(7,798)	(4,612)	(5,198)	(16,360)	(11,730)	(15,601)
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	23	(42)	(19)	(11)	(18)	(15)
Total Other Comprehensive Income/(Loss) for the period / year	23	(42)	(19)	(11)	(18)	(15)
Total Comprehensive Income/ (Loss) for the period / year	(7,775)	(4,654)	(5,217)	(16,371)	(11,748)	(15,616)
Paid up equity share capital	648	610	604	648	604	605
Face value of the share (Refer note 2)	1	1	10	1	10	10
Other Equity for the year						69,240
Earnings per share (INR per share of INR 1 each) (not annualised) (Refer note 2)						
Basic	(12)	(8)	(9)	(27)	(19)	(26)
Diluted	(12)	(8)	(9)	(27)	(19)	(26)

See accompanying notes to the Unaudited Standalone Financial Results



One 97 Communications Limited
Notes to the Unaudited Standalone Financial Results

- 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 and nine months ended December 31, 2021, quarter and half year ended September 30, 2021, and Standalone Financial Statements for the year ended March 31, 2021 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 February 4, 2022.
- Pursuant to approval of the shareholders of the Company in their meeting held on June 30, 2021, the Company, on June 30, 2021, has sub-divided equity share of INR 10 each into 10 Equity Shares of INR 1 each. Consequently, the basic and diluted earnings per share have been computed for all the periods presented in the Unaudited Standalone Financial Results of the Company on the basis of the new number of equity shares in accordance with Ind AS 33, Earnings per share.
- Exceptional items include:

(Amount in INR Million)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
			Refer note 11		Refer note 11	
Impairment of investment in Associates and Subsidiaries	-	(79)	(550)	(441)	(650)	(650)

- The Company has 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. This business transfer agreement has been approved by Board and Shareholders on August 30, 2021 and September 23, 2021 respectively. For accounting purposes date of effective loss of control over the above business has been 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. The consideration of INR 2,830 million for transfer of business is based on the carrying value of the net assets of the business as on September 1, 2021, being the date of transfer of operations. The consideration is to be paid in 5 equal annual installments payable at the end of each year without any interest. The difference between present value of consideration and net assets amounting to INR 601 million has been accounted as 'Deemed Investment' in Unaudited Standalone Financial Results. The transferred operations are not considered as discontinued operations in the Unaudited Standalone Financial Results of the Company in accordance with Ind AS. Consequent to the aforesaid transfer, results for the previous periods presented are not comparable with the results for the current quarter and nine months period ended December 31, 2021.
- 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.

During the year ended March 31, 2021, the Company reassessed the basis of segment reporting. Earlier, the Company disclosed four reportable segments that were Payment, Commerce, Cloud and others. The segment reporting for the comparative periods has been restated for this change in segment reporting.



One 97 Communications Limited
Notes to the Unaudited Standalone Financial Results

6. During the quarter ended December 31, 2021, the Company has 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. Pursuant to the IPO, 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 has 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 has been adjusted to securities premium.

Details of utilisation of 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	Utilised up to December 31, 2021	Un-utilised as on December 31, 2021
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		41,762
	i) Marketing and promotional expenses		184	
	ii) Expanding our merchant base and deepening our partnership with our merchants		698	
	iii) Strengthening and expanding our technology powered payments platform		356	
	Total (A)	43,000	1,238	41,762
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	172	17,962
	Total (C)	18,134	172	17,962
	Total (A+B+C)	81,134	1,410	79,724

Net IPO proceeds which were un-utilised as at December 31, 2021 were temporarily invested in fixed deposits with scheduled commercial banks.

7. COVID-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals. The Company has considered the possible effects that may result from COVID-19, on the carrying amount of the receivables, investments, goodwill etc. While making the assessment the Company has taken cognizance of internal and external information up to the date of approval of these Unaudited Standalone Financial Results. The Company based on current estimates expects the carrying amount of the above assets will be recovered. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of these Unaudited Standalone Financial Results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to the future economic conditions.



One 97 Communications Limited
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8. During the quarter ended December 31, 2021, the Company has granted 26,583,315 Employee Stock Option (ESOPs) which has resulted in an expense of INR 3,434 million. Out of the above (as disclosed in the prospectus dated November 11, 2021) a grant of 21,000,000 ESOP has been made to the Managing Director and CEO of the Company which is subject to achievement of certain milestones and will vest equally in 4 tranches, having minimum vesting period of 24 months, 36 months, 48 months and 60 months for each tranche respectively.
9. During the period ended June 30, 2021, the Company had filed an adjudication application under Section 454 read with Section 62(1)(b) and Section 450 of the Companies Act, 2013 before the office of the Registrar of Companies, NCT of Delhi & Haryana (ROC) on June 26, 2021, to adjudicate on the non-compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 (“the Act”) read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 (“the Rules”) in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. Consequently, the Company had cancelled the said ESOP grants on July 5, 2021. Further, the shares issued to the concerned employee pursuant to exercise of certain vested ESOPs were also transferred by the employee to Paytm Associate Benefit Welfare Trust (Formerly known as One97 Employee Welfare Trust). The cumulative charge recognized till date in respect of the aforesaid ESOPs amounted to INR 106 million.

During the quarter ended December 31, 2021, the ROC vide its order dated November 30, 2021, has directed the Company to move an appropriate application for composition of offence under the relevant provision of the Act. Consequently, the Company has filed a compounding application under section 441 read with section 62(1)(b) and Section 450 of the Act read with the Rules, before the Office of the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi (“RD”) on December 25, 2021. Presently, the matter is pending with the RD for compounding and the Company has assessed that consequent adjustments, if any, in respect of the aforesaid matter would not have a material impact on the Unaudited Standalone Financial Results.

10. As of December 31, 2021, the Company has certain foreign currency payable balances aggregating to INR 0.04* million and INR 1.26* million which are outstanding for more than twelve months (extended from six months via RBI circular -RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020, for the imports made up to or on July 31, 2020) and three years, respectively. The Company has filed an application to Reserve Bank of India (RBI) vide letters dated July 29, 2021 and August 9, 2021 to write-back payable balances of INR 1.30 million and approval is currently awaited.

As of December 31, 2021, the Company also has certain foreign currency receivable balances aggregating to INR 73, INR 100 and INR 224 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 AD Bank seeking permission for extension of time for realisation for receivables amounting to INR 111 and write-off of receivables amounting to INR 1. Further, an application has been made to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit of outstanding receivable balances amounting to INR 191 and write off of receivable balances amounting to INR 94 and approval is currently awaited. Subsequent to December 31, 2021, the company has received approval from AD bank for extension of time w.r.t. certain receivables amounting to INR 62.

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

* Amount disclosed up to two decimal places


11. The Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2020 have not been audited or reviewed by our statutory auditors. However, the management has exercised necessary due diligence to ensure that the Unaudited Standalone Financial Results for these periods provide a true and fair view of the Company's affairs.



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12. Pursuant to amendment in Schedule III to the Companies Act, 2013 by Ministry of Corporate Affairs vide its notification dated March 24, 2021, the 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
One97 Communications Limited**


Vijay Shekhar Sharma
Chairman, Managing Director and CEO
Place: New Delhi
Date: February 4, 2022

