

SBI PAYMENT SERVICES PRIVATE LIMITED

**ANNUAL FINANCIAL STATEMENTS
IND-AS
2019-2020**



K P M R & CO

Chartered Accountants

Pandurang Sadan, Hanuman Road,
Opposite Mobile Gallery, Vile Parle (East) Mumbai - 400057

INDEPENDENT AUDITOR'S REPORT To the Members of SBI Payment Services Private Limited Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **SBI Payment Services Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss, the Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

3. The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

4. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

5. The Comparative Financial Statements of the company for the year ended March 31, 2019 and transition date opening balance sheet as at 1st April, 2018 prepared in accordance with Ind AS included in these Ind AS financial statements have been audited by predecessor auditor M/s. Jacob Koshy & Co, Chartered Accountants, who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated May 17, 2019 expressed an unmodified opinion. Our opinion on the financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters Specified in paragraphs 3 and 4 of the Order.
7. As required by section 143(3) of the Act, we further report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.





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- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) the Balance Sheet, Statement of Profit and Loss, the statement of changes in equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) on the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended

The Company is the Private Limited Company, thus provisions of section 197 is not applicable to the company.

h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under;

- The Company does not have any pending litigations which would impact its financial position.
- The Company did not have any long-term contracts including derivative contracts for which there were any material forceable losses.
- There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

8. As required by section 143(5) of the Act, we report that we have complied with the direction issued by Comptroller and Auditor General of India and our replies in respect of these directions are given in "**Annexure C**" attached herewith.

For **K P M R & CO**
FRN : 104497W
Chartered Accountants

SANDEEP P RAJGOR

Partner

M.No.122739

Place : Mumbai

Date : May 8, 2020

UDIN : 20122739AAAAAX9250





KPMR & CO

Chartered Accountants

Pandurang Sadan, Hanuman Road,
Opposite Mobile Gallery, Vile Parle (East) Mumbai - 400057

"Annexure A" to Independent Auditors' Report

Annexure referred to in paragraph 6 Our Report of even date to the members of SBI Payment Services Private Limited on the Financial Statement for the year ended 31st March, 2020

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. In respect of fixed assets;
 - a) The company has generally maintained records showing full particulars including quantitative details and situation of fixed assets.
 - b) It has been explained to us that the Company has a regular program for verification of all fixed assets in a phased manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) The company does not have any immovable property and as such reporting under this para of the order is not applicable.
- ii. The company is a service company and it does not carry any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. The company has not granted any loans, secured or unsecured to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv. The Company has complied with the provisions of section 185 and 186 of the Companies Act 2013, with respect to the loans and investments made as applicable.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013. Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. In respect of statutory dues;
 - a) The company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues, as applicable, with the appropriate authorities in India. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - b) There are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. We have neither come across any instance of fraud by the Company or on the company by its officials or employees, noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- xi. The Company is the Private Limited Company, thus provisions of section 197 is not applicable to the company.





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- xii. The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. The transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, para 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **K P M R & CO**
FRN : 104497W
Chartered Accountants

SANDEEP P RAJGOR

Partner

M.No.122739

Place : Mumbai

Date : May 8, 2020

UDIN : 20122739AAAAAX9250





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"Annexure B" to the Auditors' Report

Annexure referred to in paragraph 7 (f) of Our Report of even date to the members of SBI Payment Services Private Limited on the Financial Statement for the year ended 31st March 2020.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of **SBI Payment Services Private Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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





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Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K P M R & CO
FRN : 104497W
Chartered Accountants


SANDEEP P RAJGOR
Partner

M.No.122739
Place : Mumbai
Date : May 8, 2020
UDIN : 20122739AAAAAX9250





K P M R & CO

Chartered Accountants

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“Annexure C” to the Auditors’ Report
Annexure referred to in paragraph 8 of Our Report of even date to the members of SBI Payment Services Private Limited on the Financial Statement for the year ended 31st March 2020.

Directions under section 143(5) of the Companies Act, 2013

1. Whether the company has system in place to process all the accounting transactions through IT system ? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.

All Accounting transactions are processed through IT System (Tally ERP). The back office operations of the various financial transactions have been carried out at the Global Information Technology Centre of State Bank of India (SBI) at Nerul, Mumbai. The Integrity of their IT System is has been authenticated by SBI.

2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc made by a lender to the company due to Company’s inability to repay loans ? If yes, the financial impact may be stated.

Not Applicable

3. Whether funds received/receivable for specific schemes from central / state agencies were properly accounted for / utilized as per its terms and conditions ? List the cases of deviation.

Not Applicable

For **K P M R & CO**

FRN : 104497W

Chartered Accountants

SANDEEP P RAJGOR

Partner

M.No.122739

Place : Mumbai

Date : May 8, 2020

UDIN : 20122739AAAAAX9250

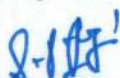


(Amount in Rs.)

Particulars		Notes	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
ASSETS					
1	Non-current assets				
	a) Property, plant and equipment	2	1,31,89,01,462	1,11,22,53,352	-
	b) Other Intangible assets	3	6,51,611	-	-
	c) Financial assets				
	(i) Other financial assets	4	20,56,000	5,40,000	-
	d) Deferred tax asset (net)	5	-	5,01,32,864	-
	e) Income Tax Assets (Net)		1,79,69,90,819	26,88,92,688	2,62,14,076
	(A)		3,11,85,99,893	1,43,18,18,904	2,62,14,076
2	Current assets				
	a) Financial assets				
	(i) Trade receivables	6	99,43,39,034	37,38,94,121	2,21,25,909
	(ii) Cash and cash equivalents	7	10,32,75,853	2,60,75,17,135	4,09,121
	(iii) Bank balances other than cash and cash equivalents	8	1,42,97,81,075	11,000	22,752
	(iv) Other financial assets	9	32,19,254	32,30,970	-
	b) Other current assets	10	37,13,12,364	42,57,65,020	3,00,000
	(B)		2,90,19,27,580	3,41,04,18,246	2,28,57,782
	TOTAL (A + B)		6,02,05,27,473	4,84,22,37,150	4,90,71,858
EQUITY AND LIABILITIES					
1	Equity				
	(a) Equity share capital	11	6,08,10,820	6,08,10,820	2,00,00,000
	(b) Other equity	12	4,52,61,87,655	4,03,96,07,437	1,80,32,473
	(A)		4,58,69,98,475	4,10,04,18,257	3,80,32,473
2	Non-current liabilities				
	(a) Provisions	13	21,23,599	9,08,277	-
			21,23,599	9,08,277	-
3	Current liabilities				
	a) Financial liabilities				
	(i) Trade payables	14	-	-	-
	Total outstanding dues of micro enterprises and small enterprises		-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		1,15,91,70,345	73,92,51,644	88,11,967
	(ii) Other financial liabilities	15	45,48,174	11,67,672	16,06,559
	b) Other current liabilities	16	26,74,95,070	4,46,220	6,20,859
	c) Provisions	17	1,91,810	45,080	-
	(B)		1,43,14,05,399	74,09,10,616	1,10,39,385
	TOTAL (A + B)		6,02,05,27,473	4,84,22,37,150	4,90,71,858
Notes form an integral part of these financial statements		1 to 34			

This is the balance sheet referred to in our report of even date

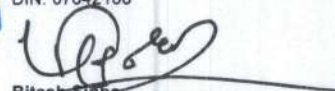
For K P M R & CO
Chartered Accountants
Firm Registration No. 104497W


Sangeep P. Rajgor
Partner
Membership No: 122739



For SBI Payment Services Private Limited


Ram Narayana Boga
MD & CEO
DIN: 07642168


Ritesh Sarda
Chief Financial Officer


Sumil Vikamsey
Director
DIN: 08323257


Ekta Dhruva
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 08 May 2020

Place: Mumbai
Date: 08 May 2020




SBI Payment Services Private Limited
Statement of Profit and Loss for the period ended 31st March 2020

Particulars	Note no.	(Amount in Rs.)	
		For the year ended 31st March 2020	For the year ended 31st March 2019
Revenue from operations	18	13,30,04,08,563	5,34,15,02,362
Other income	19	12,55,59,861	3,68,70,581
Total Income		13,42,59,68,424	5,37,83,72,943
Employee Benefit Expenses	20	7,84,78,227	2,73,43,269
Depreciation and Amortization expense	21	69,14,08,036	28,61,62,276
Other expenses	22	12,11,92,24,870	5,20,90,69,605
Total Expenses		12,88,91,11,133	5,52,25,75,149
Profit/(Loss) before Tax		53,68,57,291	(14,42,02,207)
Tax expense:			
(a) Current tax (Includes income tax reversal of earlier years of Rs. 94,646/-)		-	(94,646)
(b) Deferred tax	5	5,01,39,392	(5,01,39,392)
Profit/(Loss) after tax		48,67,17,899	(9,39,68,169)
Other comprehensive income			
(i) Items that will not be reclassified to Profit or Loss			
Remesurment profit/(Loss) on define benefit plan		1,44,209	18,684
(ii) Income Tax Effect		6,528	(6,528)
Total other comprehensive income/(loss) for the year		1,37,681	12,156
Total comprehensive income/(loss) for the year		48,65,80,218	(9,39,56,013)
Basic and diluted earnings per share			
Basic earnings / (loss) per share		80.04	(23.87)
Diluted earnings / (loss) per share		80.04	(23.87)
Notes form an integral part of these financial statements	1 to 34		

This is the statement of profit and loss referred to in our report of even date


For K P M R & CO
Chartered Accountants
Firm Registration No. 104497W


Sandeep P. Rajgor
Partner
Membership No: 122739



For SBI Payment Services Private Limited


Ram Narayana Boga
MD & CEO
DIN: 07642168


Ritesh Sinha
Chief Financial Officer


Sumil Vikamsey
Director
DIN: 08323257


Ekta Dhruva
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 08 May 2020

Place: Mumbai
Date: 08 May 2020



SBI Payment Services Private Limited
Statement of cash flow for the year ended 31st March, 2020

Particulars	(Amount in Rs.)	
	Year ended 31st March 2020	Year ended 31st March 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	53,68,57,291	(14,42,02,207)
Adjustments for:		
Provision no longer required	(3,94,93,740)	-
Interest income on fixed deposits	(8,45,58,251)	(2,98,95,835)
Interest income on income tax refund	(15,07,870)	(6,00,470)
Gain on disposal of property, plant and equipment	-	(63,74,276)
Amortisation of intangible assets	48,389	-
Depreciation of property, plant and equipment	69,13,59,647	28,61,62,276
Operating profit / (loss) before Working Capital Changes	1,10,27,05,466	10,50,89,489
Movements in working capital		
(Increase)/decrease in trade receivables	(62,04,44,913)	(35,17,68,212)
(Increase)/decrease in other non-current assets	(24,81,45,187)	-
(Increase)/decrease in other financial assets	11,716	(32,30,970)
(Increase)/decrease in other current assets	5,44,52,656	(66,52,92,359)
(Increase)/decrease in other non-current financial assets	(15,16,000)	(5,29,000)
Increase/(decrease) in trade payables	41,99,18,701	43,85,65,531
Increase/(decrease) in other financial liability	33,80,502	(4,38,888)
Increase/(decrease) in other liabilities	26,70,42,630	(1,74,639)
Increase/(decrease) in non-current provisions	12,15,322	2,24,378
Increase/(decrease) in provisions	3,95,02,789	7,47,664
Cash generated from operations	1,01,81,23,682	(47,68,07,006)
Income taxes paid	(1,27,84,45,074)	(21,44,404)
Net Cash Flow generated from Operating Activities	(26,03,21,392)	(47,89,51,410)
B CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	8,45,58,251	2,98,95,835
Proceeds from sale of tangible asset	-	63,74,276
Payment for Intangible assets as per BTA agreement	(7,00,000)	-
Purchase consideration paid for Acquisition of MAB business (Refer note 32)	-	(12,50,00,00,000)
Payment for purchase of property, plant and equipment	(89,80,08,066)	-
Net Cash generated from / (used in) Investing Activities	(81,41,49,815)	(12,46,37,29,889)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	15,55,10,03,889
Dividends paid on equity shares incl Tax thereon	-	(12,03,576)
Net Cash generated from / (used in) Financing Activities	-	15,54,98,00,313
Net Increase / (Decrease) in Cash and Cash equivalents (A+ B+C)	(1,07,44,71,207)	2,60,71,19,014
Cash and Cash equivalents at beginning of the year (Refer note 7 & 8)	2,60,75,28,135	4,09,120
Cash and Cash equivalents at end of the year (Refer note 7 & 8)	1,53,30,56,928	2,60,75,28,135
Net Increase / (Decrease) in Cash and Cash equivalents	(1,07,44,71,207)	2,60,71,19,014

Notes form an integral part of these financial statements

This is the cash flow statement referred to in our report of even date

For K P M R & CO
Chartered Accountants
Firm Registration No. 104497W

Sandeep P. Rajgor
Partner
Membership No: 122739



Place: Mumbai
Date: 08 May 2020

For SBI Payment Services Private Limited

Ram Narayana Boga
MD & CEO
DIN: 67642168

Ritesh Sinha
Chief Financial Officer

Sumil Vikamsey
Director
DIN: 08323257

Ekta Dhruva
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 08 May 2020



Statement of changes in equity for the year ended 31st March 2020

(a) Equity share capital

(Amount in Rs.)				
As at 1st April 2018	Changes in equity share capital during the year	As at 31st March 2019	Changes in equity share capital during the year	As at 31st March 2020
2,00,00,000	4,08,10,820	6,08,10,820	-	6,08,10,820

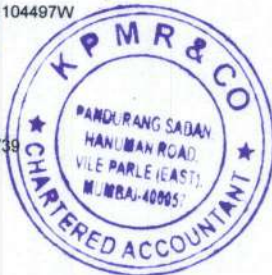
(b) Other equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Total Other Equity
	Retained earning	Security Premium	Capital reserve	Remeasurement of net defined benefit plan	
Balance as at 1st April, 2018	1,80,32,473	-	-	-	1,80,32,473
Profit / (loss) for the year	(9,39,68,169)	-	-	-	(9,39,68,169)
Excess sale consideration paid to SBI on Business transfer arrangement (Refer Note no. 32)			(11,39,34,58,516)	-	(11,39,34,58,516)
Issue of share capital - Hitachi Payment Services Private Limited (Refer note 33)		15,51,01,93,069			15,51,01,93,069
Interim dividend paid	(10,00,000)				(10,00,000)
Tax on dividends distributed during the year	(2,03,576)				(2,03,576)
Remeasurement gains/(loss) on defined benefit plan				18,684	18,684
Effect of tax on remeasurement gains/(loss) on defined benefit plan				(6,528)	(6,528)
Balance as at 31st March 2019	(7,71,39,272)	15,51,01,93,069	(11,39,34,58,516)	12,156	4,03,96,07,437
Profit / (loss) for the year	48,67,17,899	-	-	-	48,67,17,899
Remeasurement gains/(loss) on defined benefit plan				(1,37,681)	(1,37,681)
Effect of tax on remeasurement gains/(loss) on defined benefit plan				-	-
Balance as at 31st March 2020	40,95,78,627	15,51,01,93,069	(11,39,34,58,516)	(1,25,525)	4,52,61,87,655

As per our audit report of even date

For K P M R & CO
Chartered Accountants
Firm Registration No. 104497W

Sandeep P. Rajgor
Partner
Membership No: 122739



For SBI Payment Services Private Limited

Ram Narayana Boga
MD & CEO
DIN: 07642168

Ritesh Sinha
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Director
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Company Secretary & Compliance Officer

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1. Corporate Information:

SBI Payment Services Pvt Ltd ('the Company') is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company was incorporated on February 12, 2010 and has registered office at 12th Floor, State Bank Bhavan, Madan Cama Road, Nariman Point, Mumbai.

SBI Payment Services Private Limited (a subsidiary of State Bank of India (SBI)) provides services on key activities relating to Merchant Acquiring Business (MAB) viz. sourcing, merchant relationship, support services for complaints management etc. for SBI, the largest commercial Bank in India.

Merchant Acquiring Business (MAB) refers to the mechanism of facilitating merchant payment for goods and services through the medium of a card and App based acceptance solutions. Services enable merchants acquired by SBI to carry out cashless transactions by accepting payments from their customers for the goods and services provided through various digital payment acceptance touch points of SBI with products like Point of Sale machines (PoS) (Swipe & Pay), Bharat QR (Scan & Pay) and BHIM-Aadhaar-SBI (Touch & Pay).

The Company has its foot prints across India and is connecting with the large number of merchants through a team of more than 1400 employees (on rolls & contract) comprising Area Sales Managers / Sales Managers, Senior Sales Assistants, Sales Assistants, Tele callers.

2. Significant Accounting Policies :

SBI Payment Services Private Limited (SBIPSPL) a wholly owned subsidiary of State Bank of India (upto and including 19.01.2019) provides services on key activities relating to Merchant Acquiring Business (MAB) viz. sourcing, merchant relationship, support services for complaints management etc. for SBI, the largest commercial Bank in India.

Post the acquisition of the MAB vertical of the SBI dated 29th September 2018 for a consideration, SBIPSPL has issued shares to the extent of 26% on 19th January 2019 to Hitachi Payment Services Pvt Ltd, a company who provides technological and other related services in connection with merchant acquiring business.

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Result has been reviewed by the audit committee & Approved by the board of direct at the meeting held on 8th May, 2020

For all periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2020 are the first financial statements prepared in accordance with Ind AS. The date of transition to Ind AS is April 1, 2018.

The Company has adopted all issued Ind AS standards, as applicable, and the adoption was carried out in accordance with Ind AS 101. The transition was carried out from the Indian GAAP which was the previous GAAP. An explanation of how the transition to Ind AS has affected the reported financial position and financial performance of the Company is provided in Note 28. This note includes reconciliations of equity and total comprehensive income for comparative years under Indian GAAP to those reported for those years under Ind AS.

Refer Note 28 for the details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments and long term employee benefits that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity, Cash Flow Statements together with the Notes for the year ended March 31, 2020 have been prepared in accordance with Ind AS. The accounting policies have been consistently applied by the Company.

Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in under relevant accounting policies. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. Based on current estimates, the Company expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statement.



2.3 Non-Current assets held for sale

Company has not classified any assets as assets held for sale.

2.4 Revenue recognition

Ind AS 115 'Revenue from Contracts with Customers' The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognised. Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The amount recognised has revenue net of trade discount and Goods and service tax.

(a) Income from services

(i) Revenue is measured on the basis of consideration received or receivable by the Company for the services provided towards Merchant Acquiring Business (MAB), excluding discounts, GST and other applicable taxes and are recognised upon the performance of services. The Company collects taxes on behalf of the government and therefore it is not an economic benefit flowing to the Company. Hence it is excluded from revenue.

(ii) The revenue from deployment of POS is recognized either over the period during which the service is rendered or on the basis of the number of transactions processed during the period in accordance with the rates and conditions specified in the agreements. Based on the contract terms, the merchant makes payment to the Company for MDR, Monthly rental and Commitment charges and the same is treated as revenue from operations.

(iii) Income received but not accrued on account of maintenance deployment contracts are recognised as deferred revenue and included in liabilities until such time the revenue recognition criteria are met.

(iv) Income accrued but not billed represents revenue recognised on work performed but billed in the subsequent period, in accordance with the terms of the contract.

(v) Revenue of the Company comprises of providing services for Merchant Acquiring under the Merchant Acquiring Business Vertical of SBI till 29 September 2018. Services rendered are recognized on fully loaded costs plus mark up on such costs.

(vi) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

b) Interest income

Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest. Interest income is included under the head "other income" in the statement of profit and loss.

c) Dividend Income

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

2.5 Foreign Currencies

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using the exchange rate prevailing on the Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

Exchange differences arising on long term foreign currency monetary items in so far as it relates to the acquisition of depreciable capital assets are added to the cost of such assets.

2.6 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.6.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

2.6.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.



2.6.3 Current and deferred tax for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.7 Property, plant and equipment

Property, plant and equipment are stated at their cost, less depreciation and any impairment losses. The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset (after its use) is included in the cost of the respective asset if the recognition criteria for a provision are met.

Expenditure incurred on property, plant and equipment not ready for their intended use is disclosed as capital work-in-progress.

Property, plant and equipment are eliminated from the financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Depreciation on property, plant & equipment is provided on a pro-rata basis the straight line method over the useful life of the assets as prescribed under Schedule II of the Companies Act, 2013; which also reflects the technical assessment of the useful life made by the company.

Individual assets costing up to Rs. 0.05 lakhs are depreciated fully in the year of acquisition.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.8 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software is stated at acquisition cost less accumulated amortization and impairment losses, if any. They are being amortised over the estimated useful life or 3 to 5 years whichever is earlier.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the disposal proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss as other income or other expenses, as the case may be.

The amortisation period and method are reviewed at each balance sheet date. If the expected useful life of the asset is significantly different from the previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefit from the asset, the method of amortisation is changed to reflect the changed pattern.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.9 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

2.10 Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair

value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.11 Equity instruments

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

2.12 Financial assets

(i) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

In the cash flow statement, cash and cash equivalent includes cash in hand, cheques on hand, balances with banks in current accounts, bank overdraft payable on demand and other short term highly liquid investments with original maturities of three months or less.

(ii) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

(iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

(v) Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

(vi) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

2.13 Financial liabilities

i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

ii) Financial Liabilities at Amortized Cost

Financial liabilities are measured at amortised cost using the effective interest method.

iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

The Company uses derivative financial instruments, such as cross currency swaps, interest rate swaps, etc. to manage its exposure to interest rate and foreign exchange risks. Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the result in exchange gains or losses are included in Exceptional items. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.14 Earnings Per Share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

2.16 Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.



2.17 Employee Benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

Short Term benefits

Short term employee benefits at the Balance Sheet date, including short term compensated absences, are recognized as an expense as per the Company's scheme based on expected obligations on an undiscounted basis.

Long term employee benefits

The Company accounts for its liability towards long term compensated absences based on the actuarial valuation done as at the Balance Sheet date by an independent actuary using the Projected Unit Credit Method.

The Company has a long term incentive plan which is paid during year. The Company accounts for its liability as at the Balance sheet date basis the approval by the Compensation Committee.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions to the respective fund are due. The Company has no obligation, other than the contribution payable to the provident fund.

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial gains and losses are recognized in full in the period in which they occur as other comprehensive Income. The Company's scheme is administered by the SBI Life Insurance Company Limited. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on net basis. Past service costs, to the extent its benefits already vested, is recognised immediately in the statement of profit and loss.

Liability for compensated absences is provided for on the basis of actuarial valuation at year end, made by an independent actuary as per Ind AS- 19 "Employee Benefits" as specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

2.18 Lease classification

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Infosys's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

2.19 First-time adoption-mandatory exceptions, optional exemptions

2.19.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2018 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognised assets and liabilities. However, this principle is subject to applicable mandatory exception availed by the company as detailed below:

- 1) Security Deposits Receivable
- 2) Security Deposit Payable
- 3) Employee Benefits Payable

2.19.2 Derecognition of financial assets and liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2018 (the transition date).

2.19.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

2.19.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

2.19.5 Deemed cost for PPE and intangible assets

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment, and intangible assets recognised as of April 1, 2018 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

2.19.6 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 116 'Leases' for determining whether an arrangement contains a Lease at the transition date on the basis of facts and circumstances existing at that date



2 Property, plant and equipment

Particulars	POS	Scanners	MPOS	Computers	Office Equipments	Furniture & Fixtures	Total
Gross block :							
As at 1st April 2018	-	-	-	-	-	-	-
Acquisitions through business combinations	4,31,34,89,225	23,81,16,414	1,61,58,377	-	-	-	4,56,77,64,016
Adjustments/Deletions	3,52,53,218	-	-	-	-	-	3,52,53,218
As at 31st March 2019	4,27,82,36,007	23,81,16,414	1,61,58,377	-	-	-	4,53,25,10,798
Addition	89,66,30,820	-	-	10,97,832	26,136	2,52,970	89,80,07,758
Adjustments/Deletions	-	-	-	-	-	-	-
As at 31st March 2020	5,17,48,66,827	23,81,16,414	1,61,58,377	10,97,832	26,136	2,52,970	5,43,05,18,556
Accumulated depreciation :							
As at 1st April 2018	3,09,82,38,104	6,43,93,924	67,16,359	-	-	-	3,16,93,48,387
Depreciation for the year	26,06,65,133	2,38,76,879	16,20,265	-	-	-	28,61,62,276
Deductions / Adjustments	3,52,53,217	-	-	-	-	-	3,52,53,217
As at 31st March 2019	3,32,36,50,020	8,82,70,803	83,36,624	-	-	-	3,42,02,57,446
Depreciation charge for the year	64,04,08,827	4,76,23,283	31,37,100	1,87,164	1,200	2,074	69,13,59,648
Deductions / Adjustments	-	-	-	-	-	-	-
As at 31st March 2020	3,96,40,58,846	13,58,94,085	1,14,73,724	1,87,164	1,200	2,074	4,11,16,17,094
Net book value							
As at 31st March 2019	95,45,85,987	14,98,45,611	78,21,753	-	-	-	1,11,22,53,352
As at 31st March 2020	1,21,08,07,981	10,22,22,329	46,84,653	9,10,668	24,936	2,50,896	1,31,89,01,462



3 Other Intangible Assets

Particulars	Software
Gross block :	
As at 1st April 2018	-
Acquisitions through business combinations	-
Adjustments/Deletions	-
As at 31st March 2019	-
Addition	7,00,000
Adjustments/Deletions	-
As at 31st March 2020	7,00,000
Accumulated Amortisation:	
As at 1st April 2018	-
Amortisation for the period	-
Deductions / Adjustments	-
As at 31st March 2019	-
Amortisation for the period	48,389
Deductions / Adjustments	-
As at 31st March 2020	48,389
Net book value	
As at 31st March 2019	-
As at 31st March 2020	6,51,611



4	Non Current - Other financial assets	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Security deposit	20,56,000	5,40,000	-
		20,56,000	5,40,000	-

5	Deferred taxes	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Deferred tax assets:			
	Provision for employee benefits	5,00,412	82,513	-
	Loss available for offsetting against future taxable income *	5,89,34,583	14,68,61,732	-
	Deferred tax liability:			
	Remesurment profit/(Loss) on define benefit plan	-	6,528	-
	Timing difference on tangible and intangible assets depreciation and impairment	5,94,34,995	9,68,04,853	-
	Net deferred tax assets	-	5,01,32,864	-

* In the current year, the Company had recognised deferred tax assets to the extent of deferred tax liability considering lower probability of taxable profit in near future against which unused tax losses can be utilised. In the previous year Company had recognised deferred tax assets to the extent it is probable that sufficient future taxable profit will be available against which such deferred tax assets can be realised.

6	Trade receivables	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	(a) Trade Receivables considered good - Secured	-	-	-
	(b) Trade Receivables considered good - Unsecured	99,43,39,034	37,38,94,121	2,21,25,909
	(c) Trade Receivables which have significant increase in Credit Risk	-	-	-
	(d) Trade Receivables - credit impaired	-	-	-
	Total	99,43,39,034	37,38,94,121	2,21,25,909
	Less: Allowance for doubtful trade receivables	-	-	-
	Net trade receivables	99,43,39,034	37,38,94,121	2,21,25,909

Trade Receivable includes unbilled revenue of Rs. 946,529,504 (Previous Year Rs.271,000,000)

7	Cash and cash equivalents	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Cash on hand	3,375	-	-
	- In current accounts	5,58,79,401	8,61,82,075	4,09,121
	- In deposit account (with maturity upto 3 months)	4,73,93,077	2,52,13,35,060	-
		10,32,75,853	2,60,75,17,135	4,09,121

8	Bank balances other than cash and cash equivalents	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	- In deposit account (with maturity more than 3 months and less than 12 months)	1,42,96,73,846	-	-
	- Others*	1,07,229	11,000	22,752
		1,42,97,81,075	11,000	22,752

* Earmarked for dividend, Rights issue, Private placement & Gratuity purpose.

9	Other Financial Assets	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Accrued interest on fixed deposits	32,19,254	32,30,970	-
	Total	32,19,254	32,30,970	-

10	Other Current Assets	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Balance with Government authorities	37,09,52,257	42,57,65,020	3,00,000
	Prepaid expenses	3,60,108	-	-
	Total	37,13,12,365	42,57,65,020	3,00,000



Authorized capital	(Amount in Rs.)		
	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Equity share capital			
100,000,000 Equity Shares (Previous year: 100,000,000) of Rs. 10 each	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000
Total	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000

Issued, subscribed and paid-up capital	(Amount in Rs.)		
	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Equity share capital			
60,81,082 Equity Shares (Previous year: 60,81,082) of Rs. 10 each	6,08,10,820	6,08,10,820	2,00,00,000
Total	6,08,10,820	6,08,10,820	2,00,00,000

a) Reconciliation of Shares.

Particulars	As at 31st March 2020		As at 31st March 2019		As at 1st April 2018	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Equity share						
Opening Balance	60,81,082	6,08,10,820	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Issued During the year	-	-	40,81,082	4,08,10,820	-	-
Closing Balance	60,81,082	6,08,10,820	60,81,082	6,08,10,820	20,00,000	2,00,00,000

b) Right, Preferences and restriction attached to the shares

Equity Share

The Company has one class of equity share having par value of Rs. 10/- each. Each shareholders is eligible for one vote per share held and carry a right to dividend. The dividend proposed by board of Directors is subject to approval of shareholders in ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation of the company, the holder of equity share will be entitle to receive any of the remaining assets of the company.

c) Shares held by holding/ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	As at 31st March 2020		As at 31st March 2019		As at 1st April 2013	
	No of Shares	Amount	No of Shares*	Amount	No of Shares*	Amount
State Bank of India 45,00,000 Equity shares (Mar 31, 2019: 45,00,000) of ₹10 each fully paid	45,00,000	4,50,00,000	45,00,000	4,50,00,000	20,00,000	2,00,00,000
	45,00,000	4,50,00,000	45,00,000	4,50,00,000	20,00,000	2,00,00,000

* Includes 20 number of equity shares held by SBI's Nominee Directors

d) Shares In the Company held by holding company and by each shareholder holding more than 5% shares.

(Equity Shares in nos. of Rs. 10 each)

Particulars	As at 31st March 2020		As at 31st March 2019		As at 1st April 2013	
	No of Shares	% holding of equity shares	No of Shares*	% holding of equity shares	No of Shares*	% holding of equity shares
Fully paid Equity share						
State Bank of India	45,00,000	74.00%	45,00,000	74.00%	20,00,000	100.00%
Hitachi payment Services Pvt Ltd	15,81,082	26.00%	15,81,082	26.00%	-	-

* Includes 20 number of equity shares held by SBI's Nominee Directors

Other Equity	(Amount in Rs.)		
	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Securities premium			
Balance at the beginning of the period	15,51,01,93,069	-	-
Add : Additions made during the period	-	15,51,01,93,069	-
	15,51,01,93,069	15,51,01,93,069	-
Capital reserve			
Balance at the beginning of the year	(11,39,34,58,516)		
Less: Excess sale consideration over assets taken over		(11,39,34,58,516)	-
Balance at the end of the year	(11,39,34,58,516)	(11,39,34,58,516)	-
Other comprehensive income			
Remeasurement gains/(loss) on defined benefit plan	12,156	12,156	-
Add : Transferred from statement of profit and loss	(1,37,681)	-	-
	(1,25,525)	12,156	-
Surplus in the statement of profit and loss			
Balance at the beginning of the period	(7,71,39,272)	1,80,32,473	70,28,038
Add : Transferred from statement of profit and loss	48,67,17,899	(9,39,68,169)	1,10,04,435
Less : Dividend paid	-	(10,00,000)	-
Less : Tax on dividends distributed during the year	-	(2,03,576)	-
	40,95,78,627	(7,71,39,272)	1,80,32,473
Total	4,52,61,87,655	4,03,96,07,437	1,80,32,473

Securities premium

The amounts received in excess of the par value of equity shares issued have been classified as securities premium. In accordance with the provisions of Section 52 of the Companies Act, 2013, the securities premium can only be utilised for the purposes of issuing bonus shares, repurchasing the Company's shares and offsetting direct issue costs and discount allowed for the issue of shares.

Capital reserve

Capital reserve was created pursuant to an Business Combination under common control (Refer note 32).

Retained earnings

Retained earnings represents Company's cumulative earnings/ losses.

13	Non Current Provisions	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Provision for gratuity	11,57,438	7,02,583	-
	Provision for Compensated absences	9,66,161	2,05,694	-
	Total	21,23,599	9,08,277	-

14	Current financial liabilities - Trade payables	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Total outstanding dues of micro enterprises and small enterprises	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,15,91,70,345	73,92,51,644	88,11,967
	Total	1,15,91,70,345	73,92,51,644	88,11,967

		(Amount in Rs.)		
The disclosure pursuant to the said Act is as under:		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of		-	-	-
The amount of interest paid by the buyer under the MSMED Act along with the amounts of the payment made		-	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act not paid);		-	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and		-	-	-
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a		-	-	-
On basis of information and records available with the Company, the above disclosures are made in respect of		-	-	-
The amount of further interest remaining due and payable in the succeeding years		-	-	-

15	Other financial liabilities	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Employee related payables	45,48,174	11,67,672	16,06,559
	Total	45,48,174	11,67,672	16,06,559

16	Other current liabilities	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Statutory dues	25,47,43,206	4,46,220	6,20,859
	Income Received in Advance	1,27,51,864	-	-
	Total	26,74,95,070	4,46,220	6,20,859

17	Current Provision	(Amount in Rs.)		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
	Provision for Gratuity	63,284	43,480	-
	Provision for Compensated absences	1,28,526	1,600	-
	Total	1,91,810	45,080	-



18	Revenue from operations	(Amount in Rs.)	
		For the year ended 31st March 2020	For the year ended 31st March 2019
	Revenue from sale of services	13,30,04,08,563	5,34,15,02,362
	Disaggregation of Revenue		
	MDR Income	8,55,61,08,958	4,67,18,34,797
	Rental Income from POS terminals	89,79,67,892	43,16,27,701
	Compensation (SBI)	3,45,00,95,919	-
	Commitment Charges	16,23,60,596	7,87,59,501
	Commission on ETC Transactions	6,93,83,582	1,91,47,119
	Incentives towards certification and rollout of PoS Terminal	5,16,27,966	-
	Merchant Banking Fee Recd	-	13,41,23,619
	Yono Cash & Sale Transactions	2,32,60,814	-
	Other Miscellaneous Income	8,96,02,836	60,09,624
	Total	13,30,04,08,563	5,34,15,02,362

19	Other income	(Amount in Rs.)	
		For the year ended 31st March 2020	For the year ended 31st March 2019
	Interest income on Fixed Deposits	8,45,58,251	2,98,95,835
	Interest on income Tax Refund	15,07,870	6,00,470
	Provisions/liabilities No Longer Required	3,94,93,740	-
	Profit on sale of fixed assets (net)	-	63,74,276
	Total	12,55,59,861	3,68,70,581

20	Employee benefit expense	(Amount in Rs.)	
		For the year ended 31st March 2020	For the year ended 31st March 2019
	Salaries, wages and bonus	7,28,22,157	2,51,93,633
	Contribution to gratuity	8,70,819	7,64,747
	Leave encashment	11,17,467	2,19,046
	Contribution to provident and other defined contribution funds	25,13,353	11,07,001
	Staff welfare expenses	11,54,431	58,842
	Total	7,84,78,227	2,73,43,269

21	Depreciation and Amortisation Expenses	(Amount in Rs.)	
		For the year ended 31st March 2020	For the year ended 31st March 2019
	Depreciation on Tangible Assets	69,13,59,648	28,61,62,276
	Amortisation on Intangible Assets	48,389	-
	Total	69,14,08,036	28,61,62,276



22

Other expenses	(Amount in Rs.)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Operating expenses		
Interchange Charges	8,83,64,28,051	3,67,05,52,522
Scheme fees	88,14,90,954	35,27,01,219
Terminal management & Repair charges	1,02,17,43,174	22,41,08,895
Transaction processing charges	26,04,93,964	39,61,57,111
GPRS SIM charges	14,43,20,398	6,47,57,321
Consumables	12,72,06,366	4,85,14,800
Installation/deinstallation charges	1,62,33,320	1,76,06,258
Commission paid to DCC Transactions to TSP	32,34,481	3,81,10,631
Courier charges	1,39,06,227	2,41,69,713
Helpdesk Charges	1,72,08,944	59,99,049
Shared service charges	39,69,52,778	-
Agregator processing fees	1,91,62,688	11,42,54,264
Business Support Services	82,16,087	71,49,820
Other Direct Expenses	33,72,028	26,41,265
IOCL (MDR) Written off	-	77,00,000
Rupay transaction charges	-	1,61,10,723
Administrative and other expenses		
Payments to auditors*	16,90,000	12,22,900
Bank charges	6,679	5,145
Travelling and Conveyance	30,93,401	6,01,027
Filing fees and digital expenses	63,100	99,070
Postage and courier expenses	10,651	8,871
Printing and Stationery expenses	3,87,764	2,05,998
Professional fee	2,01,95,208	31,92,306
Advertisement expenses	30,50,662	-
Business Promotion	40,48,055	-
Directors sitting fees	8,85,000	-
TSP Audit fees	4,20,000	-
Recruitment/Training charges	-	4,07,132
Rent, rates and taxes	9,42,35,149	47,41,921
Contract Staff Salary	22,85,33,219	20,67,51,888
Communication expenses	-	1,00,800
Business support expenses	1,12,50,000	-
Miscellaneous expenses	13,86,522	11,98,956
Total	12,11,92,24,870	5,20,90,69,605

***Payment to Auditors**

Partuculars	For the year ended 31st March 2020	For the year ended 31st March 2019
Statutory Audit	15,50,000	4,05,000
Tax Audit	1,00,000	35,000
Other Services	40,000	7,60,000
Reimbursement of Expenses	-	22,900
	16,90,000	12,22,900



23 Earnings per share

Particulars	As at 31st March 2020	As at 31st March 2019
Net profit for the year attributable to the equity shareholders	48,67,17,899	(9,39,68,169)
Basic EPS:		
Weighted average number of shares outstanding (Nos.) of face value of Rs. 10 each		
Basic EPS (for face value of Rs. 10 each)	60,81,082 80.04	39,36,595 (23.87)
Diluted EPS:		
Weighted average number of shares outstanding (Nos.) of face value of Rs. 10 each		
Diluted EPS (for face value of Rs. 10 each)	60,81,082 80.04	39,36,595 (23.87)

24 Related parties

a) Names of related parties

Relationship	Name																								
Holding company	State Bank of India																								
Significant investor	Hitachi Payment Services Private Limited																								
Key management personnel (KMP)	<table> <tr> <td>Swaminathan Janakiraman (Appointed w.e.f. 25th July, 2019)</td><td>Nominee Director (Chairman of the Board)</td></tr> <tr> <td>Mr. Shree Prakash Singh</td><td>Nominee Director</td></tr> <tr> <td>Mr. Rajendra Deshpande</td><td>Nominee Director</td></tr> <tr> <td>Mr. Navtej Singh</td><td>Nominee Director</td></tr> <tr> <td>Mr. Sumil Chandrakant Vikamsey</td><td>Nominee Director</td></tr> <tr> <td>Mr. Krishna Kumar Aravamudan</td><td>Independent Director</td></tr> <tr> <td>Mr. Shankar Aggarwal</td><td>Independent Director</td></tr> <tr> <td>Mr. Sethurathnam Ravi (Appointed w.e.f. 14th October, 2019)</td><td>Independent Director</td></tr> <tr> <td>Mr. Ram Narayana Boga</td><td>MD & Chief Executive Officer</td></tr> <tr> <td>Mr. Aditya Senegar (upto 18th February 2020)</td><td>Chief Financial Officer</td></tr> <tr> <td>Mr. Ritesh Sinha (w.e.f 20 February 2020)</td><td>Chief Financial Officer</td></tr> <tr> <td>Mrs. Ekta Dhruva</td><td>Company Secretary & Compliance Officer</td></tr> </table>	Swaminathan Janakiraman (Appointed w.e.f. 25th July, 2019)	Nominee Director (Chairman of the Board)	Mr. Shree Prakash Singh	Nominee Director	Mr. Rajendra Deshpande	Nominee Director	Mr. Navtej Singh	Nominee Director	Mr. Sumil Chandrakant Vikamsey	Nominee Director	Mr. Krishna Kumar Aravamudan	Independent Director	Mr. Shankar Aggarwal	Independent Director	Mr. Sethurathnam Ravi (Appointed w.e.f. 14th October, 2019)	Independent Director	Mr. Ram Narayana Boga	MD & Chief Executive Officer	Mr. Aditya Senegar (upto 18th February 2020)	Chief Financial Officer	Mr. Ritesh Sinha (w.e.f 20 February 2020)	Chief Financial Officer	Mrs. Ekta Dhruva	Company Secretary & Compliance Officer
Swaminathan Janakiraman (Appointed w.e.f. 25th July, 2019)	Nominee Director (Chairman of the Board)																								
Mr. Shree Prakash Singh	Nominee Director																								
Mr. Rajendra Deshpande	Nominee Director																								
Mr. Navtej Singh	Nominee Director																								
Mr. Sumil Chandrakant Vikamsey	Nominee Director																								
Mr. Krishna Kumar Aravamudan	Independent Director																								
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Mr. Aditya Senegar (upto 18th February 2020)	Chief Financial Officer																								
Mr. Ritesh Sinha (w.e.f 20 February 2020)	Chief Financial Officer																								
Mrs. Ekta Dhruva	Company Secretary & Compliance Officer																								

b) Transactions with related parties

Particulars	As at 31st March 2020	As at 31st March 2019	(Amount in Rs.) As at 01-April-18
Issue of shares to Holding company			
State Bank of India (25,00,000 shares issued at Rs.10 each fully paid up)	-	2,50,00,000	-
Significant investor			
Hitachi Payment Services Private Limited (15,81,082 shares issued at Rs.10 each fully paid up issued at premium of Rs.9,809.86 per share)	-	15,52,60,03,889	-
Slump sale			
Holding company			
State Bank of India			
Transfer of Assets	-	3,42,57,21,077	-
Transfer of Liabilities	-	3,71,75,95,222	-
Transfer of Tangible Assets	-	1,39,84,15,628	-
Payment of Purchase consideration	-	12,50,00,00,000	-



Revenue from operations			
Holding company			
State Bank of India			
MDR Income			
Rental Income from POS terminals	8,23,19,31,153	4,50,48,26,543	-
Compensation (SBI)	79,16,44,992	35,46,27,701	-
Commitment Charges	2,97,00,95,919	-	-
Commission on ETC Transactions	12,63,60,596	4,27,59,501	-
Incentives towards certification and rollout of PoS Terminal	6,93,83,582	1,91,47,119	-
Merchant Banking Fee Recd	4,84,50,000	-	-
Yono Cash & Sale Transactions	-	13,41,23,619	-
Other Miscellaneous Income	2,32,60,814	-	-
	8,40,24,727	60,09,624	-
State Bank of India			
Accrued Revenue			
MDR Income			
Rental Income	32,41,77,805	16,70,08,254	-
Compensation (SBI)	10,63,22,900	7,70,00,000	-
Commitment Charges	48,00,00,000	-	-
Other Miscellaneous Income	3,60,00,000	3,60,00,000	-
	55,78,109	-	-
Direct expenses			
Holding company			
State Bank of India			
Interchange Charges			
Transaction processing charges	8,60,88,01,809	3,67,05,52,522	-
Terminal management & Repair charges	12,29,34,606	39,61,57,111	-
Shared service charges	7,57,98,420	22,41,08,895	-
Commission paid to DCC Transactions to TSP	37,69,52,778	-	-
Consumables	1,54,53,871	3,81,10,631	-
Courier charges	1,75,00,000	4,85,14,800	-
GPRS SIM charges	78,33,531	2,41,69,713	-
Helpdesk Charges	4,09,51,437	6,47,57,321	-
Installation/deinstallation charges	17,72,763	59,99,049	-
Agregator processing fees	47,73,264	1,76,06,258	-
Rupay transaction charges	5,78,49,838	11,42,54,264	-
IOCL (MDR) Written off	-	1,61,10,726	-
Scheme fees	-	77,00,000	-
Business Support Services	86,00,06,744	29,27,01,219	-
Other Charges	95,92,142	71,49,820	-
	28,25,123	26,41,265	-
Provisions for expense			
State Bank of India			
Interchange Charges			
Shared service charges	25,06,95,433	-	-
Scheme fees	2,00,00,000	-	-
Salary Expenses (SBI Deputed Staff)	8,16,99,939	6,00,00,000	-
	15,00,000	-	-
Direct expenses			
Significant investor			
Hitachi Payment Services Private Limited			
Terminal management & Repair charges			
Installation/deinstallation charges	47,45,49,745	-	-
Transaction processing charges	1,40,03,143	-	-
Business support charges	54,16,738	-	-
Courier charges	75,00,000	-	-
	49,85,909	-	-
Purchase of Fixed Assets			
Significant investor			
Hitachi Payment Services Private Limited			
Purchase of Adaptor (POS)			
	40,90,710	-	-
Provisions for expense			
Significant investor			
Hitachi Payment Services Private Limited			
Professional Fees			
Terminal management & Repair charges	47,14,185	-	-
Business Support Service	23,04,98,286	-	-
Courier Charges	37,50,000	-	-
Helpdesk charges	83,85,074	-	-
Roll out charges	1,58,91,241	-	-
	2,04,21,527	-	-
Other expenses			
Holding company			
State Bank of India			
Rates & Taxes			
Salary Expenses (SBI Deputed Staff)	9,42,35,148	50,25,304	-
Printing and stationery	1,69,71,048	-	-
	59,824	55,594	-
Remuneration paid to KMP			
Director Sitting Fees			
Salary, allowances, etc #	8,85,000	-	-
	10,75,000	26,263	-

Does Not Include post -employment benefit based on actuarial valuation as this is done for the company as a whole.



C) Balances with related parties

Particulars	(Amount in Rs.)		
	As at 31st March 2020	As at 31st March 2019	As at 01-April-18
Balance due to (Payables)			
Holding company			
State Bank of India	65,42,22,466	42,30,85,201	-
Significant investor			
Hitachi Payment Services Private Limited	27,89,46,128	-	-
Balance due from (Receivables)			
Holding company			
State Bank of India	99,43,10,236	37,38,94,121	2,21,25,909



25 Employee benefit plans

Defined contribution plan

The Company's contributions paid or payable during the year to the provident fund is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

Gratuity

The Company's employees are covered under the group gratuity cum life assurance scheme funded through a scheme administered by SBI Life Insurance Company Limited. Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/ obligation are calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

As per actuarial valuation report as at 31 March 2020 as under:

A. Movement in Obligation

Particulars	Gratuity (funded)		
	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Change in present value of obligations			
Defined Benefit Obligation at the beginning of the year			
Current Service Cost	7,46,063	4,99,242	2,97,539
Interest cost	4,58,231	2,34,515	1,91,817
Past Service Cost	51,193	39,939	23,059
Remeasurements - Actuarial (gains)/ Losses	-	-	-
Benefits Paid	92,210	(27,633)	(13,173)
Defined Benefit Obligation at the end of the year	(1,26,975)	-	-
	12,20,722	7,46,063	4,99,242

B. Change in Fair value of the planned assets

Particulars	Gratuity (funded)		
	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Change in Fair value of the planned assets			
Fair Value of the planned assets at the beginning of the year			
Interest Income	7,56,141	5,10,994	3,02,167
Employer contribution	51,949	46,038	24,173
Remeasurements - Return on assets	-	2,05,693	1,85,000
Benefits Paid	(52,000)	(6,584)	-346
Defined Benefit Obligation at the end of the year	(1,26,975)	-	-
	6,29,115	7,56,141	5,10,994

C. Amounts for the year ended 31 March 2020 recognized in Statement of Profit and Loss and Other Comprehensive Income:

Particulars	Gratuity (funded)		
	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Expenses recognised in Statement of Profit and Loss			
Current service cost			
Past service cost	4,58,231	2,34,515	1,91,817
(Gain)/Loss on settlements	-	-	-
Reimbursement service cost	-	-	-
Total Service cost	4,58,231	2,34,515	1,91,817
Interest expense on DBO	51,193	39,940	23,059
Interest Income on plan assets	(51,949)	(46,038)	-24,173
Total Net Interest cost	(756)	(6,099)	(1,114)
Defined Benefit cost included in P&L	4,57,475	2,28,417	1,90,703
Expenses Recognised in Other Comprehensive Income			
(Gain)/loss from change in demographic assumptions			
(Gain)/loss from change in financial assumptions	52,000	(27,633)	34,391
(Gain)/loss from change in Experience adjustments	80,660	-	46,564
Return on plan assets	11,549	6,584	(94,128)
Amount Recognised in OCI outside P & L A/c	-	-	346
	1,44,209	(21,049)	(12,827)



D. Assumptions

The Principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Particulars	Gratuity (funded)		
	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Mortality table	2012-14	2012-14	2012-14
Method	Project unit credit method	Project unit credit method	Project unit credit method
Retirement Age in years	60	60	60
Discount rate per annum	6.78%	7.5%	8%
Salary Escalation Rate	4%	4%	5%

E. Maturity Profile of defined Benefit Obligation:

Year	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Year 1	63,284	43,480	43,480
Year 2	80,905	56,055	56,055
Year 3	96,024	67,504	67,504
Year 4	1,02,234	75,869	75,869
Year 5	1,17,360	75,030	75,030
Year 6	1,13,199	72,361	72,361
Year 7	1,09,196	69,793	69,793
Year 8	1,05,347	67,323	67,323
Year 9	1,01,641	64,946	64,946
Year 10	98,076	62,661	62,661

F. Maturity Profile of defined Benefit Obligation:

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Summary of Financial & Demographic Assumptions

Scenario	DBO	Percentage Change
Under Base Scenario	12,20,722	0.0%
Salary Escalation - Up by 1%	13,58,710	11.3%
Salary Escalation - Down by 1%	11,02,042	-9.7%
Withdrawal Rates - Up by 1%	12,33,659	1.1%
Withdrawal Rates - Down by 1%	12,03,838	-1.4%
Discount Rates - Up by 1%	11,11,112	-9.0%
Discount Rates - Down by 1%	13,49,856	10.6%



26 Tax Expense

Particulars	(Amount in Rs.)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
A Amount recognised in profit and loss		
Current income tax:		
Deferred tax charge/ (credit)		
	5,01,39,392	(5,01,39,392)
	5,01,39,392	(5,01,39,392)
Total income tax expenses reported in statement of profit and loss	5,01,39,392	(5,01,39,392)
B Amount recognised in other comprehensive income		
Items that will be not be reclassified to profit and loss		
Net Gain/(loss) on remeasurement of defined benefit plans		
Before Tax	1,44,209	18,684
Tax (expense) benefit	6,528	(6,528)
Net of Tax	1,50,737	12,156
C Reconciliation of Current Tax expenses:		
Profit before tax	53,68,57,291	(14,42,02,207)
Applicable Tax Rate	25.17%	34.94%
Expected income tax expense at statutory tax rate	13,51,16,243	5,03,90,019
Tax effect of :		
Non deductible expenses for tax purpose	1,049	(2,50,627)
Temporary differences in current year on which deferred tax is recognised	-	(5,01,39,392)
Tax effect of brought forward losses/unabsorbed depreciation of current year on which no deferred tax asset is recognised	(13,51,17,292)	-
Net Effective income tax	-	-

D Components of deferred tax assets and (liabilities) recognised in the balance sheet, statement of profit and loss statement and statement of other comprehensive income :

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Deferred Tax Liability		
Deferred Tax Assets	(5,94,34,995)	(9,68,04,853)
Net deferred tax assets/(liability)	5,94,34,995	14,69,44,245
	-	5,01,39,392

D For the year ended March 31,2020	Opening	Recognised in profit and Loss	Recognised in OCI	Closing
Property, Plant and Equipment	(9,68,04,853)	3,73,69,858	-	(5,94,34,995)
Retirement benefits	82,513	4,17,899	-	5,00,412
Brought forward losses	14,68,61,731	(8,79,27,148)	-	5,89,34,583
Total	5,01,39,392	(5,01,39,392)	-	-
For the year ended March 31,2019	Opening	Recognised in profit and Loss	Recognised in OCI	Closing
Property, Plant and Equipment	-	(9,68,04,853)	-	(9,68,04,853)
Retirement benefits	-	82,513	-	82,513
Brought forward losses	-	14,68,61,731	-	14,68,61,731
Total	-	5,01,39,392	-	5,01,39,392
For the year ended March 31,2018	Opening	Recognised in profit and Loss	Recognised in OCI	Closing
Property, Plant and Equipment	-	-	-	-
Retirement benefits	-	-	-	-
Brought forward losses	-	-	-	-
Total	-	-	-	-

Unused tax losses, unabsorbed depreciation & Other Temporary differences on which no deferred tax asset is recognised in Balance sheet

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Unused Tax losses including unabsorbed depreciation	4,82,51,97,692	3,26,86,23,336
Total	4,82,51,97,692	3,26,86,23,336

1) Unabsorbed depreciation does not have any expiry period under the Income Tax Act, 1961.

2) The tax benefits for the losses would expire if not utilised starting from the financial year 2018-19 to 2028-2029

3) No deferred tax benefit is recognised in absence of reasonable certainty that taxable income will be generated by the company offset the losses.



27 Financial Instruments - Accounting Classifications & Fair value Measurement

The Significant accounting policies, including the criteria of recognition, the basis of measurement and the basis of income & Expenses recognised, in respect of each class of assets, financial liabilities and Equity instrument are disclose in note 2(i) to the financial statement

(a) Financial Assets and Liabilities

The Carrying value of Financial Instruments by Categories as at 31st March, 2020 is as follows

Sr. No	Particulars	31st March 2020	31st March 2019	(Amount in Rs.) April 1, 2018
A	Financial assets measured at Amortised amount			
(ii)	Trade receivables	99,43,39,034	37,38,94,121	2,21,25,909
(iii)	Cash and cash equivalents	1,53,30,56,928	2,60,75,28,135	4,31,873
(iv)	Non-current financial assets - Other assets			
(v)	Current financial assets - Other assets	20,56,000	5,40,000	-
		32,19,254	32,30,970	-
	Total financial assets	2,53,26,71,216	2,98,51,93,226	2,25,57,782
B	Financial liabilities measured at amortised cost			
(i)	Trade Payables	1,15,91,70,345	73,92,51,644	88,11,967
(ii)	Current financial liabilities - Other liabilities	45,48,174	11,67,672	16,06,559
	Total financial liabilities	1,16,37,18,519	74,04,19,316	1,04,18,526

(b) Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following method and assumptions are used to estimate the fair values:

- The management assessed that fair value of Trade receivables, Cash and cash equivalents, Current financial assets - Other assets, Current financial liabilities - Other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further the management has assessed that fair value of Non-current financial assets - Other assets approximate to their carrying amounts.
- Long-term variable rate borrowings are evaluated by the Company based on the parameters such as interest rates, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximate their carrying values.

(c) Financial Risk Management

The Companies principal financial liabilities comprise of trade and other payable. The main purpose of financial liabilities is to manage finance for the Company's operations. The Company has trade and other eivable, cash and security deposits that arise directly from its operations.

i Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at 31 March 2020 and 31 March 2019.

ii Foreign exchange risk

The Company does not remit any amount internationally and is not exposed to foreign exchange risks.

iii Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instruments fail to meet its contractual obligations. The Company is exposed mainly to credit risk arises from cash and cash equivalents, deposit with banks and outstanding trade receivables.

(i) Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factor such as credit track report of customer, industry practice, payment track record etc. The Company has also taken advances and security deposits from its customer which mitigate the credit risk to an extent. The Company evaluates the concentration of risk with respect to trade receivables and unbilled revenue as low, as its customers belongs to several industries.

The ageing of trade receivable along with expected loss rate is as below :

Particulars	Ageing		(Amount in Rs.) Total
	Upto 6 months	More than 6 months	
As at 31st March 2020			
Secured	-	-	-
Unsecured	-	-	-
Total receivables	85,55,41,175	13,87,97,859	99,43,39,034
Allowance for doubtful receivables*	85,55,41,175	13,87,97,859	99,43,39,034
Net Receivables	85,55,41,175	13,87,97,859	99,43,39,034
Expected loss rate	0%	0%	0%
As at 31st March 2019			
Secured	-	-	-
Unsecured	-	-	-
Total receivables	34,23,10,923	3,15,83,198	37,38,94,121
Allowance for doubtful receivables*	34,23,10,923	3,15,83,198	37,38,94,121
Net Receivables	34,23,10,923	3,15,83,198	37,38,94,121
Expected loss rate	0%	0%	0%
As at 31st March 2018			
Secured	-	-	-
Unsecured	-	-	-
Total receivables	2,21,25,900	-	2,21,25,900
Allowance for doubtful receivables*	2,21,25,900	-	2,21,25,900
Net Receivables	2,21,25,900	-	2,21,25,900
Expected loss rate	0%	-	0%

* Calculated based on the expected credit loss for trade receivable under simplified approach.



(ii) **Cash and cash equivalent and Bank deposits**

The Company considers factors such as track record, size of institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The balance and fixed deposits are generally maintained with the banks with whom the Company has availed the credit facilities. Further the Company does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Company is not exposed to expected credit loss of cash and cash equivalent and bank deposits.

iv **Liquidity Risk :**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time. The Company relies on mix of capital and operating cash flows to meet its needs for funds. The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on the undiscounted payments.

Particulars	Less than 1 year	1 to 5 year	Above 5 years	(Amount in Rs.) Total
As at 31st March 2020				
Trade Payables	1,15,91,70,345	-	-	1,15,91,70,345
Other Financial liabilities	45,48,174	-	-	45,48,174
As at 31st March 2019				
Trade Payables	73,92,51,644	-	-	73,92,51,644
Other Financial liabilities	11,67,672	-	-	11,67,672
As at 31st March 2018				
Trade Payables	88,11,967	-	-	88,11,967
Other Financial liabilities	16,06,559	-	-	16,06,559

The table below provides details regarding the remaining contractual maturities of financial assets at the reporting date based on the undiscounted payments.

Particulars	Less than 1 year	1 to 5 year	Above 5 years	Total
As at 31st March 2020				
Other financial assets	32,19,254	-	-	32,19,254
Trade receivables	99,43,39,034	-	-	99,43,39,034
Cash and cash equivalents	10,32,75,853	-	-	10,32,75,853
As at 31st March 2019				
Other financial assets	32,30,970	-	-	32,30,970
Trade receivables	37,38,94,121	-	-	37,38,94,121
Cash and cash equivalents	2,60,75,17,135	-	-	2,60,75,17,135
As at 31st March 2018				
Other financial assets	-	-	-	-
Trade receivables	2,21,25,909	-	-	2,21,25,909
Cash and cash equivalents	4,09,121	-	-	4,09,121

(d) **Capital management**

For the purpose of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders.

The capital structure of the Company is based on the management's judgement of its strategic and day to day needs with a focus on a total equity so as to maintain investor, creditors and market confidence. The calculation of capital for the purpose of capital management is below :

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Equity share capital	6,08,10,820	6,08,10,820	2,00,00,000
Other equity	4,52,81,87,655	4,03,96,07,437	1,80,32,473
Total capital	4,58,89,98,475	4,10,04,18,257	3,80,32,473



28 Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

Transition to Ind AS

(a) Basis of preparation

These are the Company's first financial statements prepared in accordance with Ind AS. For the periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with Indian GAAP.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for the year ended 31 March 2020, together with the comparative period data as at and for the year ended 31 March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2018 being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019 to Ind AS.

(b) Optional exemption availed

"Ind AS 101 - First-time adoption of Indian Accounting Standards" allows first time adopters certain exemptions from the retrospective application of certain Ind AS. The Company has applied the following optional exemptions:

(i) Deemed cost of property, plant & equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous Indian GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38. Accordingly, the Company has elected to measure all of its property, plant & equipment and intangible assets at their previous Indian GAAP carrying value.

(c) Mandatory Exceptions - applied

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates as at 1 April 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

(ii) Classification and measurement of financial assets

As permitted under IND AS 101, the Company has determined the classification of financial assets based upon the facts and circumstances that exist on the date of Transition.

The remaining mandatory exceptions either do not apply or are not relevant to the Company

(d) Reconciliation between previous India GAAP and Ind AS

Reconciliation of Balance Sheet as per previous GAAP and that computed under IND AS as on 1st April 2018

	Reference	Indian GAAP*	Adjustments	(Amount in Rs.) Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment		-	-	-
b) Intangible assets		-	-	-
c) Financial assets		-	-	-
d) Deferred tax assets (Net)		2,62,14,076	-	2,62,14,076
e) Income Tax Assets (Net)		-	-	-
(A)		2,62,14,076	-	2,62,14,076
Current assets				
a) Financial assets		-	-	-
(i) Trade receivables		2,21,25,909	-	2,21,25,909
(ii) Cash and cash equivalents		4,09,121	-	4,09,121
(iii) Bank balances other than cash and cash equivalents		22,752	-	22,752
(iv) Other financial assets		-	-	-
b) Other current assets		3,00,000	-	3,00,000
(B)		2,28,57,782	-	2,28,57,782
TOTAL (A + B)		4,90,71,858	-	4,90,71,858
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital		2,00,00,000	-	2,00,00,000
b) Other equity		1,80,32,473	-	1,80,32,473
(A)		3,80,32,473	-	3,80,32,473
Current liabilities				
a) Financial liabilities		-	-	-
(i) Trade payables		88,11,967	-	88,11,967
(ii) Other financial liabilities		16,06,559	-	16,06,559
b) Other current liabilities		6,20,859	-	6,20,859
c) Provisions		-	-	-
(B)		1,10,39,385	-	1,10,39,385
TOTAL (A+B)		4,90,71,858	-	4,90,71,858

* The previous Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



Reconciliation of Balance Sheet as per previous GAAP and that computed under IND AS as on March 31, 2019

ASSETS	Reference	Indian GAAP*	Adjustments	(Amount in Rs.) Ind AS
Non-current assets				
a) Property, plant and equipment	(i)	1,11,22,53,352	-	1,11,22,53,352
b) Intangible assets	(ii)	10,78,68,11,418	(10,78,68,11,418)	-
c) Financial assets	(i)	-	5,40,000	5,40,000
d) Deferred tax assets (Net)		-	(21,22,37,386)	5,01,32,864
e) Income Tax Assets (Net)		26,23,70,251	26,88,92,688	26,88,92,688
(A)		12,16,14,35,021	(10,72,96,16,117)	1,43,18,18,904
Current assets				
a) Financial assets				
(i) Trade receivables		37,38,94,121	-	37,38,94,121
(ii) Cash and cash equivalents		2,60,75,28,135	(11,000)	2,60,75,17,135
(iii) Bank balances other than cash and cash equivalents		-	11,000	11,000
(iv) Other financial assets		37,70,970	(5,40,000)	32,30,970
b) Other current assets		69,88,42,803	(27,30,77,783)	42,57,65,020
(B)		3,68,40,36,029	(27,36,17,783)	3,41,04,18,246
TOTAL (A + B)		15,84,54,71,050	(11,00,32,33,900)	4,84,22,37,150
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital		6,08,10,820	-	6,08,10,820
b) Other equity		15,03,86,56,242	(10,99,90,48,805)	4,03,96,07,437
(A)		15,09,94,67,062	(10,99,90,48,805)	4,10,04,18,257
Liabilities				
Non-current liabilities				
a) Provisions		-	9,08,277	9,08,277
(B)		-	9,08,277	9,08,277
Current liabilities				
a) Financial liabilities				
(i) Trade payables		73,92,51,644	-	73,92,51,644
(ii) Other financial liabilities		-	11,67,672	11,67,672
b) Provisions		51,38,452	(50,93,372)	45,080
c) Other current liabilities		16,13,892	(11,67,672)	4,46,220
(C)		74,60,03,988	(50,93,372)	74,09,10,616
TOTAL (A+B+C)		15,84,54,71,050	(11,00,32,33,900)	4,84,22,37,150

* The previous Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of Statement of profit and loss as per previous GAAP and that computed under IND AS for the year ended 31st March 2019

	Reference	Indian GAAP	Adjustments	(Amount in Rs.) Ind AS
Revenue from operations (net)		5,34,15,02,362	-	5,34,15,02,362
Other income		3,68,70,581	-	3,68,70,581
Total revenue		5,37,83,72,943	-	5,37,83,72,943
Employee Benefit Expenses	(v)	2,73,24,585	18,684	2,73,43,269
Depreciation and Amortization expense	(i)	89,28,09,374	(60,66,47,098)	28,61,62,276
Other expenses		5,20,90,69,605	-	5,20,90,69,605
Profit/(Loss) before Tax		6,12,92,03,564	(60,66,28,414)	5,52,25,75,149
Tax expense:		(75,08,30,621)	60,66,28,414	(14,42,02,206)
(a) Current tax		(94,646)	-	(94,646)
(b) Deferred tax	(i)	(26,23,70,252)	21,22,30,860	(5,01,39,392)
(Loss) for the year		(48,83,65,723)	39,43,97,554	(9,39,68,168)
Other comprehensive income				
(i) Other Comprehensive income not to be classified profit and Loss	(v)	-	18,684	18,684
Remesurment profit/(Loss) on define benefit plan		-	-	-
(ii) Income Tax Effect	(v)	-	(6,528)	(6,528)
Total other comprehensive income/(loss) for the year		-	12,156	12,156
Total comprehensive income/(loss) for the year		(48,83,65,723)	39,44,09,710	(9,39,56,012)

Impact of Ind AS adoption on statement of cash flows for the year ended 31st March 2019

Particulars	Reference	Previous GAAP	Adjustments	(Amount in Rs.) Ind AS
Net cash flow from operating activities		(15,71,81,431)	(32,17,69,980)	(47,89,51,410)
Net cash flow (used in) investing activities		(12,78,54,99,869)	-	(12,78,54,99,869)
Net cash flow (used in) financing activities		15,54,98,00,313	32,17,69,980	15,87,67,983
Net Increase / (Decrease) in Cash and Cash equivalents		2,60,71,19,014	-	2,60,71,19,014



Reconciliation of total equity as at March 31,2019 and April 1,2018

Particulars	Reference	31-Mar-19	01-Apr-18
Total equity (shareholder's fund) as per previous GAAP		15,09,94,67,062	3,80,32,473
Adjustments			
Intangible assets	(i)	(11,39,34,58,516)	-
Depreciation on above Intangible assets	(i)	60,66,47,098	-
Deferred Tax on de-recognition of Intangible assets and Tax losses	(i)	(21,22,37,388)	-
Total Adjustments		(10,99,90,48,806)	-
Total Equity as per IND AS		4,10,04,18,256	3,80,32,473

Reconciliation of Total Comprehensive Income for the year ended March 31,2019

Particulars	Reference	31-Mar-19
Profit after Tax as per previous GAAP		(48,83,65,723)
Adjustments		
Depreciation on above Intangible assets	(i)	60,66,47,098
Deferred Tax on de-recognition of Intangible assets and Tax losses	(i)	(21,22,37,388)
Remeasurement of defined benefit plan	(v)	18,684
Total Adjustments		39,44,09,710
Total comprehensive Income as per IND AS		(9,39,56,012)

(e) Footnotes to the reconciliation of Balance Sheet as at 1st April 2018 and 31st March 2019 and Statement of profit and loss for the year ended 31st March 2019:

(i) Intangible Assets, Capital Reserve and Deferred Tax assets :

The Company had acquired the merchant business from SBI on September 29,2018. Under the previous GAAP, the Company has accounted tangible assets of Rs. 1,39,84,15,628 , intangible of Rs. 11,39,34,58,516 including goodwill of Rs.7,37,40,58,516. However as per Appendix C Para 8 of Ind AS 103" Business Combinations", Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method. Further as per Para 9(ii) of Appendix C of Ind AS 103, no adjustments are made to reflect fair values, or recognise any new assets or liabilities. Therefore, SBI Brands, Distribution Network and Goodwill aggregating to Rs. 11,39,34,58,516 are not recognised as Intangible Assets and transferred to Capital Reserve as per para 12 of Appendix C Ind AS 103. Since these intangible has not been recognized , the depreciation thereon of Rs. 60,66,47,098 has been reversed. Further, the deferred tax impact have been considered and accordingly Rs 21,22,37,388 has been de-recognised.

- (ii) Under Ind AS, Security deposit are classified from other current assets to Financial Assets.
- (iii) Provision for gratuity payable reclassified from provision to non-current provision as per actuary report
- (iv) Employee related payable reclassified from other current liabilities to Financial current Liabilities.
- (v) **Employee Benefit Expenses :**

Under the Previous GAAP, actuarial gains and losses on defined benefit obligations were recognized in the statement of profit and loss. Under Ind AS, these are recognized in other comprehensive income. This difference has resulted in an increase in net income for the year ended March 31, 2019. However, the same does not result in difference in equity or total comprehensive income. Further, deferred tax impact of Rs.6,528 has been considered thereon.



29 Cancellable operating lease

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Payable not later than 1 year	33,60,000	42,000
Payable later than 1 year not later than five years	16,43,000	-
Payable later than five years	-	-
Total	50,03,000	42,000

Operating Lease Rentals charged off to the statement of profit and loss

The Company has entered into cancellable leasing arrangement for the flats for a period of 24 months which is cancellable even before the said period by giving one month notice by either parties.

30 Segment reporting

The Company operates in a single business segment. There are no other separate reportable segments. Hence, no disclosures related to segments is required to be given under the Indian Accounting Standard 108 (Ind AS 108) "Segment Reporting".

31 Contingent Liabilities and Provisions

Contingent liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved. Provisions are recognized when the company has a legal obligation and on management discretion as a result of past events for which it is probable that cash outflow may be required and reliable estimate can be made of the amount of the obligation. The Company has no Contingent Liabilities as at March 31, 2020 (March 31, 2019 : Nil, April 1, 2018 : Nil)

Other commitments

The Company has no capital commitment as at March 31, 2020 (March 31, 2019 : Nil, April 1, 2018: Nil)

32 Business Combination

The Company, a wholly owned subsidiary of SBI (till January 19, 2019), had entered into Business Transfer Agreement (BTA), BIN Sponsorship and Operation Agreement and Name, Logos, and Trademark license agreement with SBI dated September 29, 2018. Pursuant to these agreements the Company acquired the Merchant Acquiring Business (MAB) vertical of the SBI with effect from 29th September 2018, as a going concern and on slump sale basis, for a cash consideration of Rs 1250,00,00,000.

Details of Assets & Liabilities acquired on Transfer of MAB business is as below

Particulars	Amount in Rs
Fixed Assets	1,39,84,15,629
Other Assets	3,42,57,21,077
Other Liabilities	(3,71,75,95,222)
Total net value of identifiable assets acquired	1,10,65,41,484
Less : Purchase consideration paid	12,50,00,00,000
Excess of Purchase consideration over net value of identifiable assets acquired	(11,39,34,58,516)

The details of excess of Purchase consideration, over net value of identifiable assets acquired, were attributable towards assumption of unidentifiable Intangible assets which were not recognised in the books of SBI is as below:

Particulars	Amount in Rs
Distribution Network	3,72,72,00,000
SBI Brands	29,22,00,000
Goodwill	7,37,40,58,516
Total of intangible assets not recognised in SBI books	11,39,34,58,516

As per Appendix C Para 8 of Ind As 103 "Business Combination", business combination involving entities or business under common control shall be accounted for using pooling rate of interest method. Further as per Para 9 (ii) of Appendix C of Ind As 103, no adjustment are made to reflect fair value, or recognise any assets or liabilities. Therefore SBI Brands, Distribution Network and Goodwill aggregating to Rs.11,39,34,58,516 are not recognised as intangible assets and transfer to Capital Reserve as per para 12 of Appendix C Ind As 103




33 On 6th August 2018, the Company issued 25,00,000 shares of Rs 10 each, to SBI. Subsequent to the acquisition of the MAB vertical of the SBI, on January 19, 2019, the Company entered into Joint venture agreement with Hitachi Payment Services Pvt Ltd, a company who provides technological and other related services in connection with merchant acquiring business. Pursuant to this agreement, the Company had issued 15,81,082 shares of Rs 10 each at a premium of Rs.9808.96 per share resulting into divestment of stake to the extent of 26%.

34 Corporate Responsibility statement

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act.

- a) Gross amount required to be spent by the company during the year is Nil (March 31, 2019 : Nil)
b) Amount spent during the year is Nil.


For K P M R & CO
Chartered Accountants
Firm Registration No. 104497W

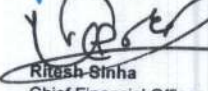

Sandeep P. Rajgor
Partner
Membership No: 122739



Place: Mumbai
Date: 08 May 2020


For SBI Payment Services Private Limited


Ram Narayana Boga
MD & CEO
DIN: 07642168


Ritesh Sinha
Chief Financial Officer

Place: Mumbai
Date: 08 May 2020


Sumil Vikamsey
Director
DIN: 08323257


Ekta Dhruva
Company Secretary &
Compliance Officer

