

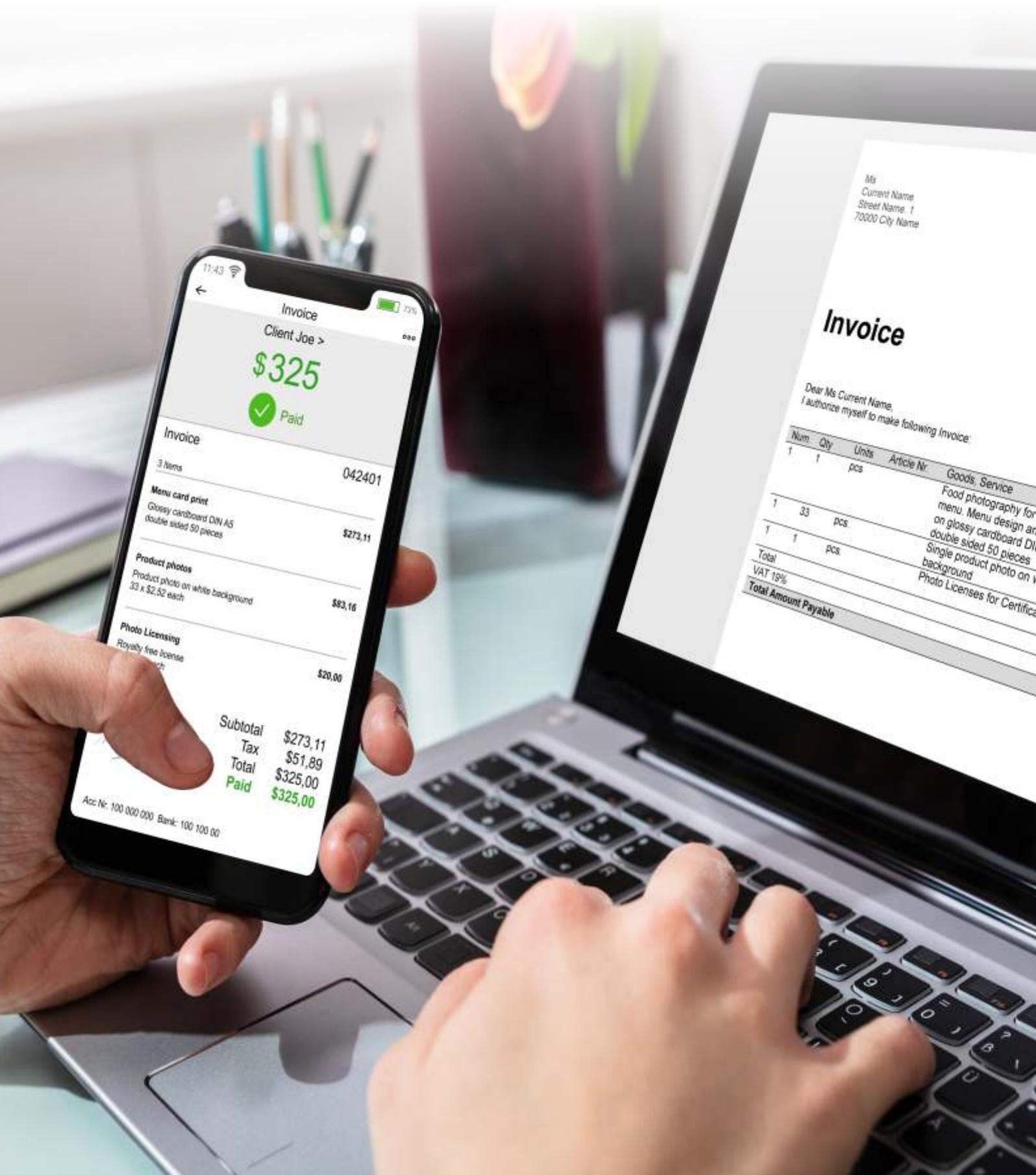
# RESILIENCE TO RESURRECTION



**ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED**

ANNUAL REPORT  
2 0 2 1 - 2 0 2 2

“ Pandemic has made the small and medium business (SMB) realize that accelerating payment is the only way to improve cashflow. Digitizing the credit-control cycle by using an all-in-one, invoice-to-cash platform is the way to go ”



“ The smart phone will be the new ‘go-to’ platform for payments as well as digital services. ”



“ The sharp rise in the adoption of the Account Aggregator framework and the early traction in the Open Network Digital Commerce (ONDC) will open vast vistas of opportunities ”





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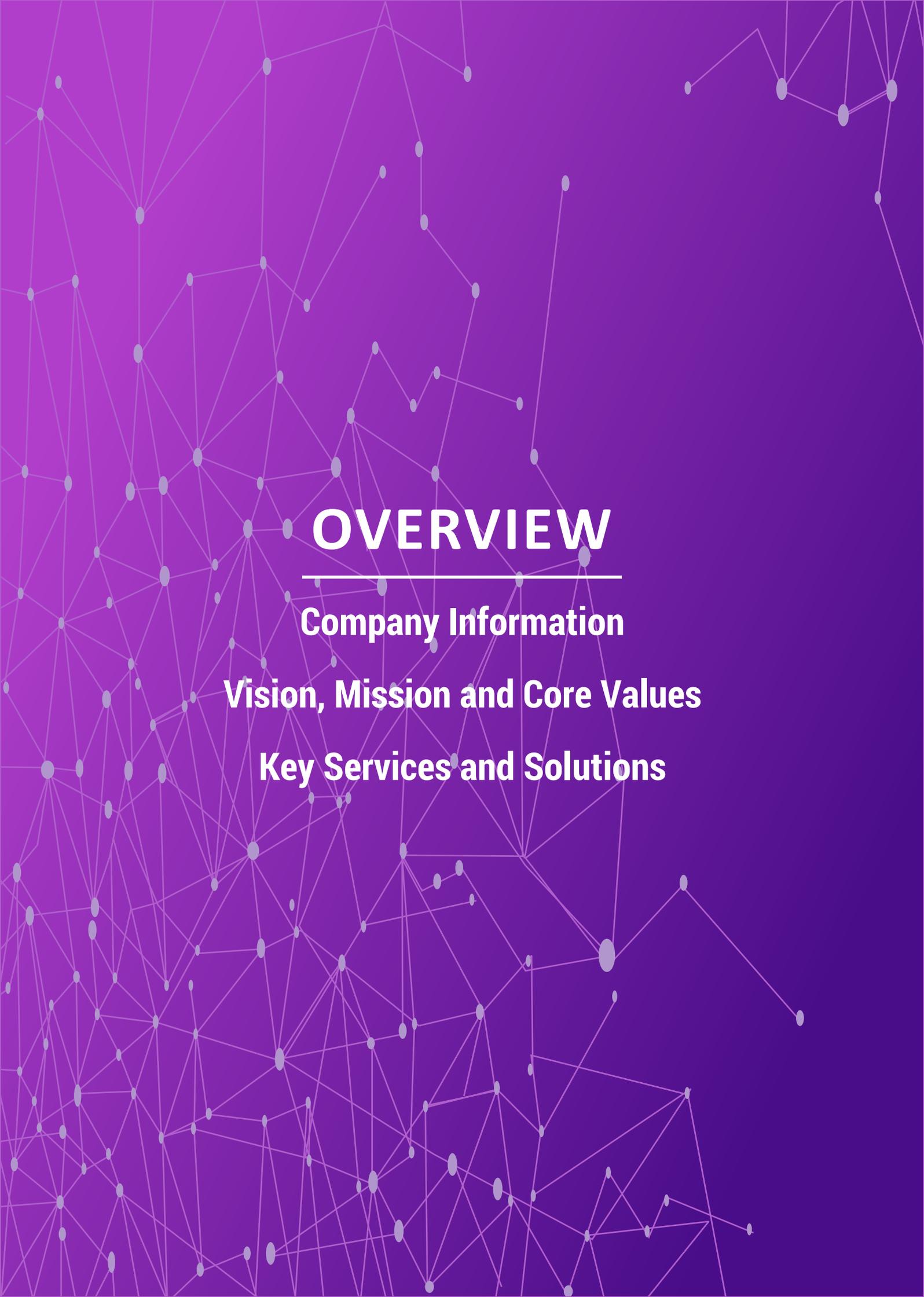
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# **OVERVIEW**

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**Company Information**

**Vision, Mission and Core Values**

**Key Services and Solutions**

## COMPANY INFORMATION

Electronic Payment and Services Private Limited (EPS) was formed in 2011 in Mumbai with a profound vision of emerging as a leading provider of technology solutions in the retail banking and payments system. EPS is one of the market leaders in providing end-to-end outsourcing and managed services for self-serviced terminals, and digital payment services.

Over a decade, EPS has developed as a payment technology services company that provides cross-channel, full-spectrum technology solutions across the payments value chain. EPS was launched with an aim to bridge the gap in demand for efficient, secure, and technology-driven products and services for the banking industry.

EPS is backed by prolific investors from financial services and payments space; and also having eminent Board of Directors (BoD) and advisors, who are former executives of Reserve Bank of India (RBI), National Payments Corporation of India (NPCI) and major banks. EPS manages around 12,000 ATMs spread across India, and offers ATM outsourcing services and 24x7 monitoring services.

EPS aced in delivering results, reliability, and dependability, having successfully deployed ATMs in urban and rural locations across India. EPS, which has serviced major leading banks, has established a leadership position as a self-serviced terminals transaction processor, and enables banks and financial institutes to embark on a payments transformation journey by streamlining payment processing, avoiding financial slippages due to deficient reconciliation, reducing risks due to ever increasing fraud sophistication and improving customer centricity. It has expanded its digital product portfolio to cater to the changing needs of banks.

EPS' portfolio of solutions include –

- Payment card life cycle management
- EFT switch
- Fraud Risk Management
- Enterprise Reconciliation
- Exception Management
- Transaction switching for mobile-based instant payment mechanisms such as UPI, IMPS and AePS.

EPS aims to direct unique efforts towards making important technical as well as technological contributions to the advancement of industry. Innovation-led EPS is all set to transform digital customer experiences for major banks through its advanced solutions. EPS has digitized all the key areas of self-serviced terminal operations which include:

- Cash Management
- Reconciliation
- Remote Monitoring
- EJ (Electronic Journal) Pulling
- Content Management

The automation proved valuable during the pandemic when EPS could deliver uninterrupted services to its customers 24x7. Technology has guided the company to provide seamless, safe and secure mobile-based payments through UPI, IMPS, NETC, and QR-code, which have been positioned as a key contender in the emerging payments space.

EPS provides a best-in-class PCI-DSS certified Transaction Switching Solution, which can drive all industry standard front-end payment devices. It has achieved certification of EPS Switch (EPSNet) on NPCI's RuPay interface for ATM shared network, infrastructure services for ATM deployment and monitoring, transaction switching and processing, interchange gateway for Electronic Journal management. It is also an NPCI approved ASP (Application Service Provider) for its payment methods.

EPS has notched some wins and established valuable credentials in the non-ATM space and is building capabilities in emerging areas of Payment Technology (PayTech) and Regulatory Technology (Regtech). Today, it has emerged as one of the forerunners among the B2B payment transaction processors. We are building capabilities in emerging areas of Regulatory Technology and Payment Platforms for B2B requirements, and our mission is to democratize payment technology knowledge across the ecosystem.

EPS is also attempting a big foray into building knowledge society in the form of – EPS Education- and has partnered with Dr. Babasaheb Ambedkar Technology University (DBATU) to offer an elective course in payments technology for the engineering students.





## VISION

To be the leading provider of technology solutions in the Retail Banking and Payments System



## MISSION

To be a leading provider of banking and retail terminals (ATM/PoS) by providing cost effective banking and transaction related services and solutions. To establish a dependable electronic payment network and be a differentiator in providing electronic payment services



## CORE VALUES

### Service

**S**

To understand, determine and deliver what our clients need, with a high standard of customer service and professionalism.

### Trust

**T**

We believe that trust and respect are essential for teamwork.

### Relationship

**R**

We believe in building strong relationships through transparency and fairness in all our dealings.

### Integrity

**I**

We are committed to a high standard of integrity.

### Value People

**V**

We value every member of our team and encourage their development.

### Excellence

**E**

We strive to excel always.

## Key Services and Solutions

### ATM Outsourcing Services:

Our portfolio of end-to-end outsourced services for self-service terminals provide complete round of services which not only helps in identifying sites and deploy machines at optimal locations, but also take care of managing the ATM network, which includes management of the EJ (electronic journal) and bank's EFT switch, and coordination with cash replenishment agencies (CRAs) for cash lifecycle management.

Our clients rely on our expertise and experience to build scalable ATM networks and to improve operational efficiency through continuous online monitoring of vital indicators. They rely on us to provide industry best practices, benefits of latest technologies and competitive advantage for their ATM banking channel.

### Benefits to Banks:

- End-to-end outsourced ATM services under one roof
- Increased ATM Availability
- Increased ATM Throughput
- Reduced outage time 24x7x365
- Monitoring and Incident Management
- Low number of FLM and SLM calls
- Minimal cash-out instances
- Improved customer experience scores
- ATM site infrastructure outsourcing services



## ATM Managed Services

Our ATM managed services team, with their proven skills and industry background, ensures better uptime of ATM for customers - banks – for 24x7 and coordinate with multiple supporting agencies to maximise customer services by adopting smart technological analysis with using relevant social and geological data to boost performance and ensure maximum availability of serviceable terminals.

Our round the clock services support banks’ management in a way so that they can focus on core business activities and rely on our service capabilities fully.

### Benefits to Banks:

- Supports ATM operations department to achieve customer focused KPIs
- Reduces the impact of loss of revenue and customer dissatisfaction by unsuccessful transactions
- Achieves high availability of the ATM machines and maximise the uptime
- Ensures timely and accurate reconciliation of transactions and resolution of disputes on time
- Provides early alerts and actions on incidents
- Enables timely escalation of issues
- Following up with the supporting service providers and maintains records of the downtime for reference.



## Digital Payments

We offer a wide range of solutions in payments, which give banks competitive edge.

**Some of our key solutions in digital payments are as follows:**

1. **EFT Switching:** Acquire, process, clear and settle credit and debit card payment transactions from ATM, POS, and e-Commerce across any network in real time.
2. **Card Management System:** Card Lifecycle management backed by comprehensive reporting and audit trails across design, issuance, processing, and administration.
3. **Switching for NPCI Operated Payment Systems:** Transaction processing for AePS, IMPS, UPI, NETC and BPPS.
4. **Aadhaar Data Vault:** Tokenization solution that ensures compliance with UIDAI guidelines.
5. **Enterprise Fraud Risk Management:** Unified Fraud Risk Management across mobile banking, internet banking, cards, mobile wallets, digital wallets, payment gateways. The solution proactively pre-empts, detects, and prevent frauds. It enables reduction in false positives, detection of ever-increasing sophisticated fraud patterns quicker case resolution
6. **Enterprise Reconciliation Management:** Automates the entire lifecycle of reconciliations across all retail payment channels, like ATM, POS, UPI, IMPS, BBPS, NETC, NEFT, RTGS, VISA, Mastercard Networks, Mobile Wallets, GL validation, NOSTRO, etc.



## EPSTAR<sup>®</sup> : ATM Automation Excellence

EPSTAR is a modular, scalable, secure, API connected integrated web and mobile enabled ATM management platform developed by EPS which serves end-to-end needs of complete ATM outsourced services. This monitoring tool is a single source of formation that captures, manages and distributes real-time information to all stakeholders including customer, corporate or field engineer in a secure and controlled manner.

The solution helps to overcome ATM challenges like unreconciled funds and associated frauds; beer (UX) user experience and (CX) customer experience, real me ATM journals, traceability, record and health status of each terminal, the real-me dashboards with ATM uptime & downtime, ageing queue and beer control of users’ access and rights. EPSTAR modules have 24\*7 support system, seamless and secure connectivity, real time view, data transparency & availability, automated workflows which have resulted in operational efficiency

EPSTAR manages the end-to-end performance of ATM channel at customer, regional, functional and personnel level. For global presence, the journey has been initiated to move from On-premises to SaaS based model, the integration with financial systems and data mart. It will provide 360 degree view for managing ATM operations in a more constructive, efficient and effective manner to make strategic decisions internally by the EPS management and clients across boundaries.

EPSTAR <sup>®</sup> Modules	Salient Features
<b>EPSolve<sup>®</sup></b> Incident Management	<ul style="list-style-type: none"> <li>• ATM health monitoring using switch feeds</li> <li>• Ticketing for FLM/SLM and other incidents</li> <li>• Auto ticket dispatch to OEMs and Vendors</li> <li>• Automated reports and trend analysis</li> </ul>
<b>EPSupply<sup>®</sup></b> Cash Management	<ul style="list-style-type: none"> <li>• Cash forecast based on historical data and parameters.</li> <li>• Auto generation and dispatch of cash indents at cash branch, CRA, ATM and custom level.</li> <li>• Indent revision within seconds.</li> <li>• Automated Reports and Trend Analysis</li> </ul>
<b>EPSettle<sup>®</sup></b> Reconciliation	<ul style="list-style-type: none"> <li>• 2-way, 3-way and 4-way reconciliation</li> <li>• Exception Management – Overage and Shortage Reports</li> </ul>
<b>EPSmart<sup>®</sup></b> EJ & Content Management	<ul style="list-style-type: none"> <li>• EJ Pulling through encrypted distributed channels</li> <li>• Content distribution and content management</li> </ul>
<b>EPScrutiny</b> Customer Dispute Management	<ul style="list-style-type: none"> <li>• Customer dispute management</li> <li>• Reporting, ageing and historical data management</li> </ul>
<b>EPSurvey</b> Cash, Site and Asset Audit	<ul style="list-style-type: none"> <li>• Assign, Schedule, Monitor – the audit activities ‘on the move’</li> <li>• Real-time data sync between field team and Central Compliance team</li> <li>• Offline mode database sync for remote relocations</li> <li>• Cash Audit, Site Audit and Asset Audit on the go</li> <li>• Centralized reporting and exception management</li> </ul>



# THE BOARD

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**Board of Directors**

## BOARD OF DIRECTORS



**Mr. Mani Mamallan**  
**DIN - 03584512**  
Chairman and Managing Director



**Mr. Sanjay Kapoor**  
**DIN - 03584520**  
Director



**Mr. Anurag Agrawal**  
**DIN - 02385780**  
Nominee Director



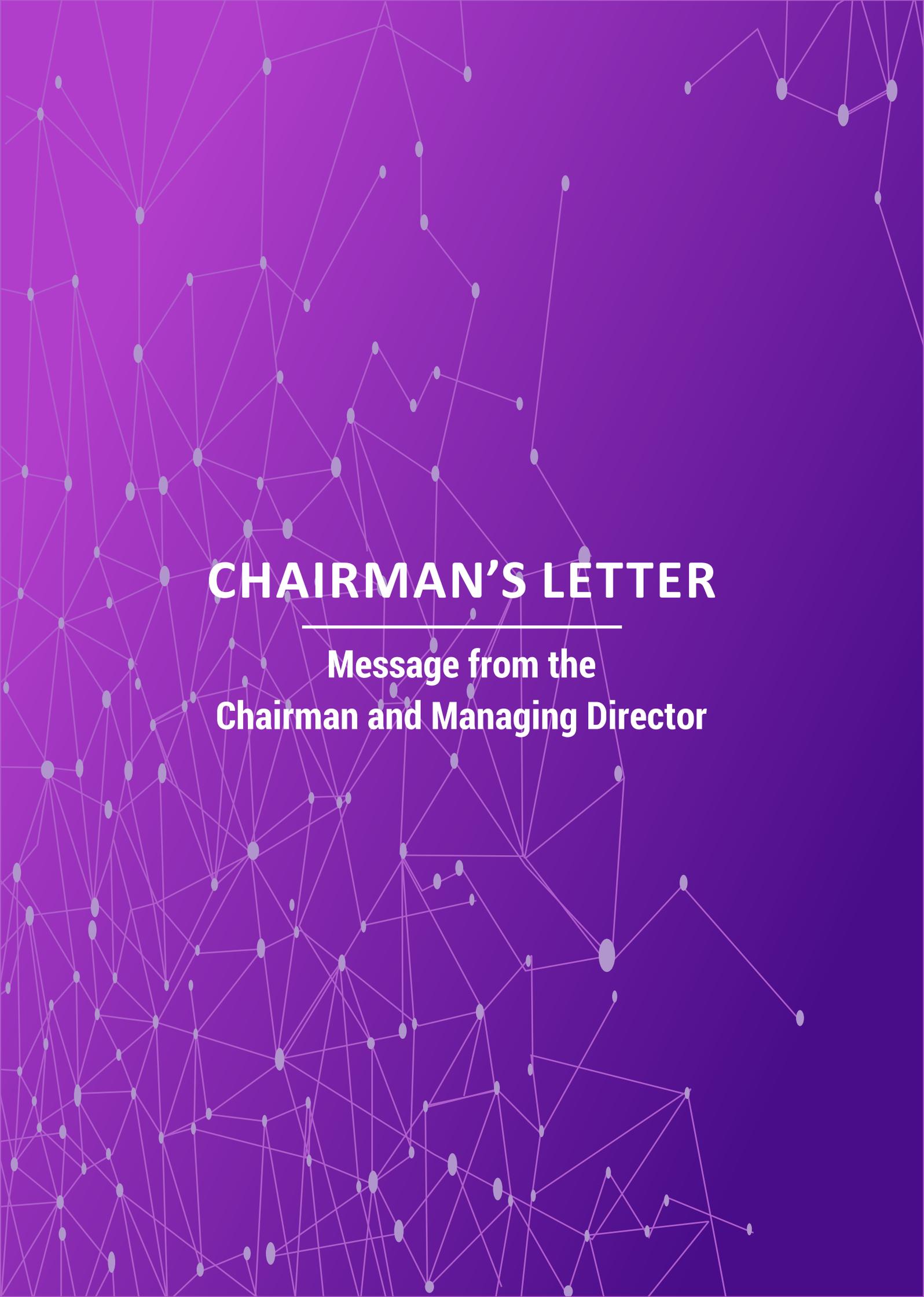
**Mr. Udayan Goyal**  
**DIN - 07399005**  
Nominee Director



**Ms. Sushma Keshavamurthy Kaushik**  
**DIN - 05142705**  
Nominee Director



**Mr. Rama Subramaniam Gandhi**  
**DIN - 03341633**  
Independent Director



# **CHAIRMAN'S LETTER**

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**Message from the  
Chairman and Managing Director**

## MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR



Dear Shareholders,

My warm greeting to all of you!

With near normalcy all around, the impact of one of the deadliest pandemics, that lingered till the beginning of the year, seems to be petering out. No words could express my sorrow for the anguish caused by the loss of lives during the pandemic. The last financial year was filled with frenzy, where the black swan event as well as geopolitical tensions caused supply chain disruptions leading to volatility in the prices of commodities, and unstable economic conditions.

As the dust settles, and a brighter picture of economic activities emerges, I sincerely believe we are standing firmly at the threshold of a time where growth opportunities are coming our way.

In this report, I am pleased to make a few comments about the FY 2021-22.

**Being Consistently Profitable:** Like in the previous two years, this year too, your Company has closed the books with profits. I am happy to report that during the financial year 2021-22, your Company achieved a sharp rise in the financial journey, by making key strategic decisions at the right time. Our combined efforts have resulted in revenues of INR in 000s 3,425,178/- against the previous year's INR in 000s 3,429,913/-, with profits of INR in 000s 253,152/-. The financial year ended on a positive note, which is largely backed by financial distinction, operational excellence, technological efficiency, kickstarting new initiatives, teamwork, and cross-departmental collaboration.

**Resurrecting Growth:** During FY 2021-22, we navigated the crisis induced by the pandemic and resurrected growth. I would like to thank all our stakeholders, including shareholders, customers, employees, partners, bankers, and associates whose boundless faith in us provided the necessary thrust for the next level of growth. Your Company's management had set its sights high on enhancing capabilities in processing digital payments to accelerate financial inclusion. During the last 10 years of providing payment technology services to India's major public sector banks, we have moved EPS to a growth trajectory.

Your Company has been managing around 12,000 ATMs in the country, and many of our customers – who are large banks – have consistently ranked us above our peers for the predictability of services and fair business practices. This has been possible due to the Company's continued investments in technology to augment efficiency in service delivery.

Besides enhancing efficiency in service delivery, technology investments also improved our market competitiveness. This is one of the reasons why we received from a major PSU bank the mandate to manage around 2200 ATMs spread across the country.

**Ready for the Next Run!** In the next five years, we strongly see that the market for managed services for self-services terminals in India is expected to grow significantly owing to the rise in the ATMs, cash dispensing, and cash recycling machines, especially in the rural areas. India is one of the key contributing nations in the global ATM markets.

As per reports, the global ATM market is expected to grow from \$19.94 billion in 2021 to \$22.08 billion in 2022 at a compound annual growth rate (CAGR) of 10.7%. The market is expected to grow to \$28.82 billion in 2026 at a compound annual growth rate (CAGR) of 6.9%. We are well positioned to capitalize upon the opportunity in this part of the world.

**Preparing for Our Next Phase of Growth:** India has maintained its pole position in global digital payments. During the year, UPI processed more than 46 billion transactions amounting to over Rs 84.17 trillion as against the previous year's 22.28 billion transactions, amounting to Rs 41.03 trillion. Both in volume and value terms, digital payments have doubled in just a year, indicating the meteoric rise in the adoption of digital payments.

In the next couple of years, an additional 100 million people will join to strengthen the digital economy in India. The smartphone will be the new 'go-to' platform for payments as well as digital services. Hence, the second phase of your Company's growth will inevitably come from mobile-based real-time payments and its adjacent business space i.e., digital financial services.

In the year following the pandemic, more and more businesses are warming to digital B2B transactions. The introduction of e-Invoice will pave way for digital B2B payments and strengthen the foundation of digital financial services for SMEs. The sharp rise in the adoption of the Account Aggregator framework and the early traction in the Open Network Digital Commerce (ONDC) will open vast vistas of opportunities for companies such as ours. We are exploring strategic opportunities in these areas to grow revenue.

Digital trust and security occupy a central role in a digital economy. Hence, we will continue to do whatever it takes to raise the profile of our company as the champions of digital trust and security

All in all, we are excited by India's emergence as a global front-runner in digital infrastructure and our growth aspirations are aligned with it.

**Embracing Purpose in Business:** Purpose matters in the way we do business. The human side of our organization came to the fore in the face of the angst and anguish spelled by Covid-19. Human angle prevailed over every aspect of day-to-day business decision-making during the pandemic. We scaled up our community engagement and provided hospitalization support and access to the Covid care centre. Over 1000 families reaped the benefits of our Covid-19 relief initiatives. This included not only the families of our employees but also the families of members of our business network. In June 2021, we organized one of the biggest in-house vaccination camps, where more than 1000 people took the jab including our employees and their families, partners, vendors, and other EPS associates.

Amidst the onslaught of layoffs, pay cuts, and mass downsizing, we decided to widen the circle of human obligation and protected the jobs of all our employees, security personnel, and housekeeping staff. Our field personnel distributed free masks and sanitizers to people visiting various ATMs. We had set up a specialized support system, a Covid Task Force including representatives from all teams within EPS and members of the senior management personnel. Throughout the crisis, the task force was in regular touch with employees to ensure their well-being. We organized a three-month-long virtual campaign to recognize the efforts of "Covid Warriors" – our employees spread across the country – who acted as soldiers of humanity and led the fight against the invisible enemy putting others before themselves.

**Building Business through People:** Covid-19 has turned the world upside down. Every aspect of our lives has been affected. But people continue to remain the most invaluable asset of every business. We are proud of our people and how they continue to contribute to the success of our company.

“The second phase of your Company's growth will inevitably come from mobile-based real-time payments and its adjacent business space i.e., digital financial services”

The pandemic was not only the catalyst for reimagining the workplace, but it has also prompted a change in how we work. Our leaders became flexible and empathetic like never before, as their teams balanced varied commitments. The pandemic forced the leaders to communicate more with the teams, which resulted in higher engagement levels and motivation leading to enhanced team productivity.

As we partially exited from the pandemic, we did detailed planning to safely reopen offices, and provide alternatives for our employees to commute and travel without transmitting or contracting an infection. Even today, we continue to allow most of our employees to work from home as we gradually return to the hybrid mode of working.

We will continue to invest in our people and give them opportunities to realize their full potential. Going forward, the following three pillars will guide us in our people practices and help us to make our organization a workplace of choice

- **Happy workforce:** Putting the right talent in the right roles at the right time to ensure work-life balance, fulfilling experience, and physical and mental wellbeing
- **Empowered employees:** An error-honouring work environment, which is conducive to taking new initiatives and fostering innovation
- **Leadership Development:** Developing future leaders who will exhibit the right behaviours, act as role models, and inspire others

Our women employees have made an invaluable contribution to our growth. We have revisited our gender diversity goals and are sharply focusing on increasing the representation of women in new appointments, and leadership pipeline development.

Openness, trust, and transparency have been the key attributes of our workplace. We continue to organize open-door sessions, training programs, and engagement programs for our employees to engage on a variety of topics. Throughout the year, we continued to promote a speak-up culture in which our people feel encouraged to not only share ideas but also raise issues and concerns.

**Going Far and Beyond in Good Governance:** Ethics and fair practices lay the strong foundation for building businesses that can weather all storms. We continue to be fuelled by our belief that our relentless pursuit of a 'values-based' approach to business ethics and compliance will give us an advantage in the marketplace in the long term.

**Conclusion:** We had a solid year. The outlook is positive. The conditions are favourable, and the business is well positioned to continue to prosper into the future. I look forward to the years ahead with optimism and confidence.

Thank you

**Mani Mamallan**



# **BANKERS**

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**List of Lenders**

# **GOVERNANCE REPORT**

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## LIST OF LENDERS

- 1) **IDFC First Bank Limited**  
C-32 G Block, Naman Chambers, BKC, Mumbai - 400051.
- 2) **Kotak Mahindra Bank Limited**  
12, BKC, C-12, G Block, Banda (East), Mumbai - 400051.
- 3) **Bajaj Finance Limited**  
4th Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411014.
- 4) **ICICI Bank Limited**  
ICICI Bank Towers, Bandra Kurla Complex, Mumbai – 400051.
- 5) **Tata Capital Financial Services Limited**  
12 th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013.
- 6) **Utkarsh Small Finance Bank Limited**  
S-24/1-2, First Floor, Mahavir Nagar, Orderly Bazar, Varanasi - 221002.

## GOVERNANCE REPORT

In today's digital world, Corporate Governance must ensure organizational resilience while striking a balance between the interests of a company's many stakeholders, such as shareholders, management, employees, customers, suppliers, financiers, government, and the community at large. Corporate governance, as per benchmarked practice, is an ethically driven business process that is committed to the values aimed at enhancing an organisation's capacity to create wealth.

Thus, it forms one of the significant pillars of any efficient and growing organisation. At EPS, good governance and operational efficiency form the cornerstone to become a differentiated payment technology services provider. The Company's philosophy of corporate governance is founded upon a rich legacy of fairness, accountability, ethics, and transparency.

**Some of the salient actions of our Corporate Governance in the last fiscal year are as illustrated below:**

- 1) Our well-defined processes and systems enabled us to seamlessly transition to "Work from Home" even before the Government announced lockdown.
- 2) We covered our entire workforce and their families under the health insurance scheme "Corona Kavach"
- 3) We arranged the vaccination of people in our entire business ecosystem, which comprise employees and their entire families, partners, and suppliers to strengthen the fight against the pandemic.

It is needless to mention that our risk and governance practices had created a bottom-line impact helping the company turn PAT positive in the pandemic year, which lent a crippling blow to the economy. The functioning of the Governance, Risk and Compliance (GRC) department as a well-oiled machine has increased the resilience of the company and mitigated the risks to the possible extent and enhanced productivity. Our GRC framework is compatible with the domestic standards and industry best practices. We ensure to make timely disclosures and share relevant information regarding our financials and performance, as well as the leadership and governance.

A three-layer defence mechanism characterizes our risk and governance framework. All the departments and processes are governed by the policies and processes laid down under the Governance Framework:

- a) **Statutory Compliances:** All applicable statutory compliances in our areas of operations are managed and overseen through EPSafe – a web-based software that automates risk monitoring and compliance management.
- b) **Assurance:** A third party conducts the testing of ICFR (Internal Control over Financial Reporting) and operational controls. We review and revise SOPs (standard operating procedure) and control library on a periodic basis to keep the processes aligned and optimize governance and assurance.
- c) **Internal Audit:** We conduct internal audits to review overall performance. Audit observations are closed with risk mitigation and process improvements. Internal Auditor is approved by the Audit committee and audit reports are reviewed by Board.

We have completed various certifications such as ISO 27001-2013 for Information Security, ISO 9001:2015 for Quality Management Systems and PCI DSS for The Payment Card Industry Data Security. Our structure, policies, processes, and systems are based on these standards. This not only gives immense confidence and comfort to our customers and partners but also positions us ahead of our competitors. We ensure timely renewals of our certifications and perform surveillance audits to strictly adhere to the standards. For the Financial Year 2021 – 2022, we have complied with all the relevant provisions of the legislation covered above and as applicable from time to time. All the teams within the organising, handling specialised functionalities, support for the compliance of the relevant regulations by providing timely information and extending connectivity.

**Various committees and sub committees, and policies are a part of Corporate Governance such as:**

- Audit and Risk Board Sub-Committee
- Finance Board Sub-Committee
- Business and Operations Board Sub-Committee
- Compensation Board Sub-Committee

All legal documentation is prepared, entered, and executed by the company, post careful legal reviewing, to safeguard company's legal interests. At EPS, we aim to accomplish the stature of an organisation that people can trust. We, thus, continue to strive towards achieving the gold standard in Corporate Governance that takes care of all stake holders and makes EPS a respected organization.



# **BOARD'S REPORTS**

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**Directors' Report on the Standalone Annual Accounts**

## DIRECTORS' REPORT

To,  
The Members of,  
ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

Your Directors have pleasure in presenting the 11<sup>th</sup> Annual Report of Electronic Payment and Services Private Limited ("EPS" or "the Company") together with the Audited Standalone Financial Statements for the year ended 31st March 2022.

### FINANCIAL RESULTS

Particulars	Year Ended on 31st March 2022 (INR 000's)	Year Ended on 31st March 2021 (INR 000's)	Year Ended on 31st March 2022 (INR 000's)	Year Ended on 31st March 2021 (INR 000's)
	(Standalone)	(Standalone)	(Consolidated)	(Consolidated)
Total Revenue	3,425,178	3,429,913	-	3,430,486
Expenditure	2,977,127	3,034,322	-	3,036,740
Profit / (Loss) before Depreciation	448,051	395,591	-	393,746
Less: Depreciation	399,647	390,233	-	390,233
Profit / (Loss) before Taxes	48,404	5,358	-	3,513
Add / Less: Taxation	-	-	-	-
Add Deferred Tax	204,748	-	-	-
<b>Profit / (Loss) After Tax</b>	<b>253,152</b>	<b>5,358</b>	<b>-</b>	<b>3,513</b>

### REVIEW OF THE BUSINESS OPERATIONS

During the year, the Company recorded a total revenue of INR in '000s 3,425,178/- as compared to INR in '000s 3,429,913/- in the previous financial year. The Company has earned the net profit after tax of INR in '000s 253,152/- during the year as compared to the net profit after tax of INR in '000s 5,358/- during previous financial year.

### CONSOLIDATED FINANCIAL STATEMENTS

During the year, Electronic Payment Australia Pty. Ltd. ("EPAPL") - Wholly Owned Subsidiary of the Company; was liquidated vide the deregistration approval from Australian Securities and Investments Commission (ASIC) dated 06th September 2021. Hence, the consolidation of accounts is not applicable to the Company for FY 2021-22.

### GENERAL REVIEW ON THE STATE OF COMPANY'S AFFAIRS

The Company is an ATM operation and services company, incorporated on 29th September 2011 and commenced its business in June 2012. The Company was formed to provide ATM management operations and services to banks.

Currently, the Company manages approximately 12,000 ATMs in all developed areas as well as supporting such business initiatives in remote areas too. The Company also offers Card Management Systems, EFT Switching Services, Enterprise Reconciliations Services and Fraud Risk Management to Financial Institutions.

### DISCLOSURE ON CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

### DIVIDEND

The Board of Directors of your Company, after considering the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

### PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOINGS

The information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the "Annexure I" enclosed.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company meets the threshold criteria established under section 135(5) of the Companies Act, 2013 for CSR activities and was required to spend INR in '000s 1,078/- on CSR activities during the year under review. Accordingly, the contribution of INR in '000s 376/- was made towards the Covid vaccination for the persons other than the employees and their families towards CSR activity and the excess contribution made during previous financial year i.e., INR in '000s 1,025/- shall be set off against the balance CSR obligation. Hence, the excess contribution of INR in '000s 323/- made during FY 2021-22, is proposed to be set off against the requirement to spend on CSR activity up to immediate succeeding three financial years, if applicable subject to approval of the Board of the Directors.

Further, pursuant to Section 135(9) of the Companies Act, 2013, the Company is not required to formulate a separate CSR Committee until it meets the prescribed criteria. Hence, the Board of Directors of the Company shall be responsible for monitoring and ensuring the compliances relating to the CSR provisions.

The Annual Report on CSR activities is appended as “Annexure II” to the Directors’ Report.

**DIRECTORS’ RESPONSIBILITY STATEMENT**

The Board of Directors of the Company pursuant to the requirements of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, hereby confirm:

- 1) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- 2) That the Directors had selected accounting policies and applied consistently, and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the statement of affairs of the Company as at 31st March 2022 and of the profit and loss of the Company for the year ended on that date;
- 3) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) That the Directors had prepared the annual accounts on a going concern basis; and
- 5) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not given any loans or provided guarantees and securities, as applicable pursuant to the provision of Section 186 of the Companies Act, 2013.

**DISCLOSURES OF AMOUNTS, IF ANY, TRANSFER TO ANY RESERVES**

It is not proposed to carry any amount to any reserves from the profits of the Company. Hence, disclosure under Section 134(3)(j) of the Companies Act, 2013 is not required.

**MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT**

During the year under review, Electronic Payment Australia Pty. Ltd. – Australia based Wholly Owned Subsidiary of the Company was liquidated vide the deregistration approval from Australian Securities and Investments Commission (ASIC) dated 06th September 2021.

**DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATION IN FUTURE**

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, the disclosure pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014 is not required.

**DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014**

The Company’s Internal Financial Control Systems are adequate and operating effectively in all material respects and are commensurate with the size of its business operations.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013**

During the year, there were no material related party contracts entered by the Company that may have potential conflict of interest with the Company at large and all the transactions were at arm's length and in ordinary course of business. The remuneration being paid to the related parties are as approved by the Board of Directors in Board Meeting held on 26th November 2021 and by Shareholders in Extra Ordinary General Meeting held on 22nd December 2021 of the Company. Hence, the disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. All related party transactions as per AS-18 are mentioned in the Note No. 28 to the Financial Statements.

### **ANNUAL RETURN**

The Ministry of Corporate Affairs vide Section 23 of the Companies (Amendment) Act, 2017, has removed the provision of enclosing the extract of annual return in form MGT-9 with the Directors' report.

Accordingly, pursuant to subsequent amendment to Section 92(3) and 134(3)(a) of the Companies Act, 2013, the Annual Return for the financial year ended on 31st March 2022, shall be placed on the website of the Company at <https://www.electronicpay.in/company-annual-return/>.

### **DETAILS OF SUBSIDIARY COMPANY**

Electronic Payment Australia Pty. Ltd. – Australia based Wholly Owned Subsidiary of the Company was liquidated vide the deregistration approval from Australian Securities and Investments Commission (ASIC) dated 06th September 2021. All the mandatory filings were completed by the Company with the Reserve Bank of India ("RBI") vide its acknowledgment email dated 18th November 2021. Hence, the Company does not have any Subsidiary Company as on 31st March 2022 and there is no requirement to annex AOC-1 under section 129(3) of the Companies Act 2013.

### **SHARE CAPITAL**

During the year under review, the Compulsory Convertible Preference Shares ("CCPS") of the Company held by Asia Participation B. V. were converted into Equity Shares as follows:

- 2,500,525 Series C- CCPS of Asia Participation B.V were converted into 42,829 Equity Shares on 30th August, 2021 as per the terms of the Conversion Mechanism of the Share Subscription Agreement dated 12th May 2015 entered by and between Aavishkaar India II Company Limited, Aavishkaar Goodwill India Microfinance Development Company II Limited, Aavishkaar Venture Management Services Private Limited, Asia Participations B.V, the Company and its Promoters.
- 58,635 Series B- CCPS of Asia Participation B.V were converted into 58,635 Equity Shares on 10th December, 2021 as per the terms of the Conversion Mechanism of the of the Share Subscription Agreement dated 20th November 2013 entered by and between Asia Participations B.V, the Company and its Promoters.

The details of the Share Capital are given under Note No. 3 to the Financial Statements of the Company.

### **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS ON FINANCIAL STATEMENTS**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report on the Financial Statements.

The provisions of Section 204 of the Companies Act, 2013 relating to submission of Secretarial Audit Report is not applicable to the Company for the year under review.

### **COMPANY'S POLICIES RELATING TO DIRECTORS & KEY MANAGERIAL APPOINTMENT, PAYMENT OF REMUNERATION & DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) of the Companies Act, 2013 relating to Nomination & Remuneration Committee are not applicable to the Company, hence the Company has not devised any policy relating to appointment of Directors, Key Managerial Personnel, payment of Managerial Remuneration, Directors Qualifications, Independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

### **DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL APPOINTED OR RESIGNED DURING THE YEAR**

During the period under review, there were changes in the composition of Directors of the Company.

Mr. Vineet Chandra Rai (DIN: 00606290) resigned from his directorship as an Investor Nominee Director representing Aavishkaar India II Company Limited ("AICL") w.e.f. 1st April 2021. Pursuant to which Mr. Anurag Agrawal (DIN: 02385780) was appointed as an Investor Nominee Director representing AICL w.e.f. 13th July 2021.

### **AUDITORS**

M/s. DELOITTE HASKINS & SELLS LLP, CHARTERED ACCOUNTANTS, Statutory Auditors of the Company having, firm registration number 117366W/W1000-18 situated at Indiabulls Finance Centre, Tower 3, 27th-32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, have completed their term as the Statutory Auditors of the Company.

Accordingly, M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, is proposed to be appointed as the Statutory Auditors of the Company, in the upcoming Annual General Meeting for a period of Five (5) years as per the provisions of Section 139 of the Companies Act 2013.

#### MAINTENANCE OF COST RECORDS

Maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, is not applicable to the Company.

#### PARTICULARS OF EMPLOYEES

Pursuant to disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of the employee who is in receipt of remuneration aggregating to INR in '000s . 10,200/-per annum or more, are as follows:

SR. NO	PARTICULARS	DETAILS
1	Name	Mr. Mani Mamallan
2	Designation	Chairman & Managing Director
3	Joining Date	1st July 2012
4	CTC Per Annum	INR in '000s 25,000/-
5	Remuneration received during the year	INR in '000s 14,609/-
6	Qualification	B. Sc Zoology and PGDPM (IT)
7	DOB	27th March 1961
8	% of Equity Shares	NIL
9	Last employment	C-Edge Technologies Limited
10	Relatives of any Director or Manager	No

#### DECLARATION OF INDEPENDENT DIRECTORS

Mr. Rama Subramaniam Gandhi is the Independent Director of the Company and as an annual compliance, the declaration confirming the compliance of the conditions of the independence stipulated in the Section 149 of the Companies Act, 2013, has been submitted by him to the Company.

Further to note that, the Company being a Private Limited Company, the provisions of Section 149 pertaining to the appointment of Independent Directors are not applicable and that the appointment has been made in order to comply with the Shareholders' Agreement signed between the Company and its Shareholders.

#### BOARD MEETING

During the Financial Year 2021-22, the Board met four (4) times on 13-07-2021, 28-08-2021, 26-11-2021 and 25-03-2022. Further during the Financial Year 2021-22, the Board Sub-Committee Members met to conduct their meetings on the dates as mentioned below:

- **Audit and Risk Board Sub-Committee Meetings:** - 13-07-2021, 28-08-2021, 26-11-2021 and 25-03-2022
- **Finance Board Sub-Committee:** - 13-07-2021, 28-08-2021, 26-11-2021 and 25-03-2022
- **Business and Operations Board Sub-Committee:** - 13-07-2021, 26-11-2021 and 25-03-2022
- **Compensation Board Sub-Committee:** - 13-07-2021, 28-08-2021, 26-11-2021 and 25-03-2022

Given the ongoing Covid-19 pandemic, to maintain social distancing norms and ensure smooth conduction of the meeting; all the Board Sub Committee Meetings, Board of Directors' Meeting and Shareholders' Meetings held during the under-review period, were conducted through Audio-Video Conferencing Facility, adhering to guidelines/circulars, compliance relaxation norms granted by the Ministry of Corporate Affairs ("MCA"), time to time.

#### SEXUAL HARRASSMENT POLICY

The Company has devised a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 with the proper composition of members. The policy highlights are regularly flashed on the desktops of all the employees to ensure the adherence to the policy. An Internal Complaint Committee ("ICC") has been set up in compliance with the said Act which also includes an external member. The Human Resource department of the Company also ensures to conduct regular training sessions on the Company's Sexual Harassment Policy. The policy has also been displayed on the Company's website [www.electronicpay.in](http://www.electronicpay.in).

During the year under review, no complaints pertaining to sexual harassment of women employees were reported to the Committee.

**CODE OF CONDUCT**

The Company has a comprehensive Code of Conduct (“the Code”) applicable to all the stakeholders. The Board of Directors had reviewed the Code of Conduct and the copy of the Code is available on the Company’s website [www.electronicpay.in](http://www.electronicpay.in).

**DISCLOSURE OF THE AMOUNT RECEIVED FROM ITS DIRECTORS/RELATIVES OF DIRECTOR AS A LOAN DURING THE YEAR UNDER REVIEW**

The Company has not received any amount from its Directors or Relatives.

**DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Company has established a Vigil Mechanism/Whistle Blower Policy pursuant to Section 177(9) of the Companies Act, 2013 and overseen by Mr. Mani Mamallan, Managing Director of the Company. The formation of the Audit Committee Section 177(1) of the Companies Act, 2013, is not applicable to the Company. The policy has also been displayed on the Company’s website [www.electronicpay.in](http://www.electronicpay.in).

The Company has also provided adequate safeguard against victimization of employees and the Directors who express their concerns.

**COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards.

**EMPLOYEE STOCK OPTIONS**

The Shareholders of the Company in the Annual General Meeting held on 12th August 2014 had approved the Employee Stock Option Scheme (ESOP), 2014. In this connection the following are the disclosures required as per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014.

- (a) Options Granted during the year: - Nil
- (b) Options Vested during the year: - Nil
- (c) Options Exercised during the year: - Nil
- (d) The Total Number of Shares arising as a result of Exercise of Option: - Nil
- (e) Options Lapsed/ Forfeited during the year: - Nil
- (f) The exercise Price: - INR 10/- per share
- (g) Variation of terms of Options: - Refer below table for Variation of terms of in the Options Granted
- (h) Money realized by exercise of Options: - Nil
- (i) Total Number of options in force:- 17,788
- (j) Total Number of options available for grant- 962
- (k) Employee wise details of options granted to; -
  - i. key managerial Personnel-None
  - ii. any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.-List of employees captured below.

ESOP 2014 – Granted in September 2014

Name of Grantee	No of options granted
Mr. Chandrasekaran	4500
Mr. Manohar Bhoi	4500
Mr. Prakash Joshi	4500
Mr. Thyagrajan	1500
Mr. Murali Sharma	1500
Mr. Amit Kadam	150
Ms. Supriya Shukla	150*
<b>Total</b>	<b>16,800</b>

## ESOP 2014 – Granted in January 2016

Name of Grantee	No of options granted
Mr. Farroukh Kolah	250 **
Mr. Bharat Panchal	150
Mr. Rohit Jain	150
Mr. Nitin Gaonkar	150
Ms. Pradnya Bagade	150
Mr. Vaibhav Puranik	150
Mr. Mahesh Panchal	150
Mr. Mahesh Gaitonde	150 **
<b>Total</b>	<b>1,300</b>

\*Lapsed

\*\*Partially Lapsed

- iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant- Nil

Further, the Board of Directors of the Company, in their meeting held on 29th January 2020, had approved the extension for exercising the ESOPs' granted in the year 2014 and 2016. The revised ESOP schedule after extending the exercise period is as follows:

Details	Grant Date	Number of options vested less lapsed	Vesting Dates	Revised Exercise Dates
First Allocation	5th September 2014	16,650	4th September 2015	12th February 2025
Second Allocation	13th January 2016	650	13th September 2018	12th February 2025
		263	13th September 2019	12th February 2025
		225	13th February 2020	12th February 2025

Further, in the Extra Ordinary General Meeting held on 19th January, 2016, the Shareholders of the Company approved the issue of 43,158 equity options under the Scheme titled "Electronic Payment and Services-Employee Stock Option Plan 2015" (ESOP 2015'). The Company has not granted any of these equity options to the employees of the Company.

#### RISK MANAGEMENT POLICY

The Company has developed and implemented a Risk Management Policy. This policy defines the Risk Management framework through Risk Management Structure, Risk Management Program, Risk Categories & Mitigation Measures. The policy has also been displayed on the Company's website [www.electronicpay.in](http://www.electronicpay.in).

#### DEPOSITS

The Company has not accepted any fixed deposit from the public within the meaning of Section 73 of The Companies Act, 2013 and rules made there under.

#### DETAILS OF APPLICATIONS MADE OR ANY PENDING PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

The Company did not make any application or there are no any pending proceedings under Insolvency and Bankruptcy Code 2016.

#### DETAILS OF DIFFERENCE IN VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

NIL

#### ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation assistance and co-operation received from the banks, Government authorities, customers, vendors, and members during the year under review. Your Company also takes this opportunity to acknowledge the dedicated efforts made by staff and officers at all levels for their contributions to the Company.

**For and on behalf of the board of  
Electronic Payment and Services Private Limited**

Place - Mumbai

Date - 12th July 2022

**Mani Mamallan**  
Chairman & Managing Director  
DIN:-03584512

**Sanjay Kapoor**  
Director  
DIN:-03584520

## “ANNEXURE I” to Directors’ Report for the Financial Year Ended on 31st March 2022

Particulars required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rule, 2014.

## a) CONSERVATION OF ENERGY-

- i) The steps taken or impact on conservation of energy: - NIL
- ii) The steps taken by the Company for utilizing alternate resources: -NIL
- iii) The capital investment on energy conservation equipment’s: - NIL

## b) TECHNOLOGY ABSORPTION-

- i) The efforts towards technology absorption:- NIL
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution:- NIL
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):- NIL
- iv) The expenditure incurred on Research & Development:- NIL

## c) FOREIGN EXCHANGE EARNING AND OUTGO-

Details of Foreign Earnings

Particulars	Current Year (FY 2021-22) (in INR)	Previous Year (FY 2020-21) (in INR)
Export of Goods calculated on FOB Basis	NIL	NIL
Interest and Dividend	NIL	NIL
Royalty	NIL	NIL
Know-how	NIL	NIL
Professional and Consultancy fees	NIL	NIL
Other Income	NIL	NIL
<b>Total earning in Foreign exchange</b>	<b>NIL</b>	<b>NIL</b>

Details of Foreign Expenditure

Particulars	Current Year (FY 2021-22) (in INR)	Previous Year (FY 2020-21) (in INR)
Import of Capital Goods calculated on CIF Basis:	NIL	NIL
(1) Raw material	NIL	NIL
(2) Component and Spare parts	NIL	NIL
(3) Capital Goods- Software Purchase	NIL	NIL
Expenditure on account of:-	NIL	NIL
Royalty	NIL	NIL
Know-how	NIL	NIL
Professional and Consultancy fees	NIL	NIL
Interest	NIL	NIL
Other Matters	280	3,701
Dividend Paid	NIL	NIL
<b>Total Expenditure in Foreign exchange</b>	<b>280</b>	<b>3,701</b>

For and on behalf of the board of  
Electronic Payment and Services Private Limited

Place - Mumbai  
Date - 12th July 2022

**Mani Mamallan**  
Chairman & Managing Director  
DIN:-03584512

**Sanjay Kapoor**  
Director  
DIN:-03584520

## ANNEXURE - II

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended time to time]

**1. A brief outline of the Company's Corporate Social Responsibility ("CSR") policy of the Company:**

The Company has a Corporate Social Responsibility Policy approved in the Board Meeting held on 24th February 2021.

The objective of the CSR Policy of the Company is to lay down the approach, directions as well as the guiding principles for selection, implementation, monitoring of CSR activities and formulation of the annual action plan. The Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Companies Act 2013 as amended time to time.

**The CSR activities of the Company shall be implemented in accordance with the following principles:**

- ✓ To acknowledge the business and society interdependence and contribute to the society through the CSR activities.
- ✓ To contribute towards sustainable development of the country through the CSR activities.
- ✓ To recognize the corporate accountability towards the wellbeing of the society and protection of environment.
- ✓ To comply with the CSR provision of the Companies Act 2013 and rules framed thereunder as amended time to time.

**2. The Composition of the CSR Committee:-** Pursuant to the provisions of the Companies Act, 2013 and the Companies (Amendment) Act, 2020, the Company is not required to formulate a separate CSR Committee. Hence, the duties of the said committee shall be discharged by the Board of Directors of the Company until the said provisions become applicable to EPS.

Sr. No.	Name of Director	Designation	Nature of Directorship	Number of meetings of CSR Committee during the year	
				Held	Attended
1.					
2.					

**3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:-** <https://www.electronicpay.in/wp-content/themes/hala/downloads/internal-policies/EPS-CSR-Policy.pdf>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable :-** Not applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:-**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (INR in '000s)	Amount required to be set-off for the financial year, if any (INR in '000s)
1.	2021-22	1,025	1,025
	<b>Total</b>	<b>1,025</b>	<b>1,025</b>

**6. Average net profit of the Company as per section 135(5) :-** INR in '000s 53,895/-

7.	(INR in '000s)
a) Two percent of average net profit of the Company as per section 135(5)	1,078/-
b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
c) Amount required to be set off for the financial year, if any	1,025/-
d) Total CSR obligation for the financial year (7a+7b-7c)	53/-

## 8. a) CSR amount spent or unspent for the financial year:-

Total Amount Spent for the Financial Year. (INR in '000s.)	Amount Unspent (INR in '000s.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
376/-	-	-	-	-	-

b) Details of CSR amount spent against ongoing projects for the financial year:- None

c) Details of CSR amount spent against other than ongoing projects for the financial year:-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr No.	Name of the Project	Item from the List of activities in schedule VII of the Act	Local Area (Yes/No)	State	Disctict	Amount spent for the Project (INR in '000s)	Mode of implementation Direct (Yes/No)	Name	Mode of Implementation Through Implementation Agency No CSR Registration Number
1	Covid Vaccination to the persons other than employees & their families as per General Circular No. 13/2021 dated 30th July 2021 issued by Ministry of Corporate Affairs	*(i) & *(ix)	Yes	MH	Mumbai	376/-	Yes	NA	NA

\*Promoting health care including preventive health care

\*\*Disaster management

d) Amount spent in Administrative Overheads :- NIL

e) Amount spent on Impact Assessment, if applicable :- Not applicable

f) Total amount spent for the Financial Year (8b+8c+8d+8e) :- INR in '000s 376/-

g) Excess amount for set off, if any :-

Sr. No.	Particulars	Amount (INR in '000s.)
(i)	Two percent of average net profit of the Company as per section 135(5)	1,078/-
(ii)	Total amount spent for the Financial Year	1,401/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	323/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	323/-

## 9. (a) Details of Unspent CSR amount for the preceding three financial years :- Not applicable

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account Under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of Transfer	
1							
2							

## (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):- None

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:- Not applicable

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

## 11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):- Not applicable.

For and on behalf of the board of  
Electronic Payment and Services Private Limited

Place - Mumbai  
Date - 12th July 2022

**Mani Mamallan**  
Chairman & Managing Director  
DIN:-03584512

**Sanjay Kapoor**  
Director  
DIN:-03584520

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Electronic Payment and Services Private Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Electronic Payment and Services Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss and the 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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit, its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Financial Statements

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, cash flows of the Company in accordance with the Accounting Standards 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management 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 Responsibility for the Audit of the Financial Statements

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.

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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

### Report on Other Legal and Regulatory Requirements

#### 1. As required by Section 143(3) of the Act, based on our audit we 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 purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company as far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer note 25)
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Anjum Qazi**  
(Partner)  
(Membership No. 104968)  
(UDIN:22104968AMQAIH4485)

Place: Cape Town

Date: 12th July, 2022

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of Electronic Payment and Services Private Limited)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Electronic Payment and Services Private Limited (“the Company”) as of 31st March 2022 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

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. 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 Act.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

In our opinion, to the best of our information and according to the explanations given to us, 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 31st March 2022, based on the criteria for internal financial control over

financial reporting 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 Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Anjum Qazi**  
(Partner)  
(Membership No. 104968)  
(UDIN:22104968AMQAIH4485)

Place: Cape Town

Date: 12th July,2022

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

## (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) In respect of the Company's Property, Plant and Equipment:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) The Company has a program of verification of property plant and equipment so to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.
  - (d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) In respect of the Inventories:
  - (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
  - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the revised quarterly returns or statements comprising stock statements, book debt statements, creditors' statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters. Further, the company does not classify Other Receivables as book debts and only considers Operating Expense Creditors for the purpose of quarterly reporting.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.
  - (b) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(b) of the Order is not applicable.
  - (c) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(c) of the Order is not applicable.
  - (d) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(d) of the Order is not applicable.
  - (e) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(e) of the Order is not applicable.
  - (f) According to information and explanations given] to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided or security given, as applicable.

- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, for business activities carried out by the Company. Hence, reporting under paragraph 3 (vi) of the order is not applicable.

(vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance Act, 1948, Service Tax, Income-tax, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been slight delay in few cases.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues in arrears as at 31st March 2022 for a period of more than six months from the date they became payable.

- (b) The Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2022, on account of disputes are given below:

Name of the statute	Nature of dues	Amount involved	Amount unpaid	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 and Service Tax Laws	Service Tax	2,85,36,936	2,85,36,936	October 2011 to March 2014	Customs, Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 and Service Tax Laws	Service Tax	1,83,12,546	1,83,12,546	FY 2014-15 to FY 2017-18	Commissioner of Central GST and Central Excise
The Maharashtra Value Added Tax	Value Added Tax	12,85,737	12,85,737	FY 2015-16	Joint Commissioner of State Tax

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) With respect to reporting requirements of paragraph 3(ix) of the Order:

- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

- (b) To the best of our knowledge, no report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.  
(b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Anjum Qazi**  
(Partner)  
(Membership No. 104968)  
(UDIN:22104968AMQAIH4485)

Place: Cape Town

Date: 12th July, 2022

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

## ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

## Balance Sheet as at 31st March, 2022

Amount in INR '000s

Particulars	Note No	As at 31st March, 2022	As at 31st March, 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	8,013	32,589
Reserves and surplus	4	1,920,761	1,643,033
		<b>1,928,774</b>	<b>1,675,622</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	960,017	340,132
Long-term provisions	6	82,809	80,183
		<b>1,042,826</b>	<b>420,315</b>
<b>Current Liabilities</b>			
Trade payables	7		
(a) Dues of Micro and Small Enterprises		150,193	76,891
(b) Dues other than Micro and Small Enterprises		420,586	413,472
Other current liabilities	8	276,906	174,499
Short-term provisions	9	41,288	38,420
Short-term borrowings	10	375,990	389,930
		<b>1,264,963</b>	<b>1,093,212</b>
<b>Total</b>		<b>4,236,563</b>	<b>3,189,149</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment and Intangible assets			
Property, Plant & Equipment	11	1,925,307	1,305,739
Intangible assets	11	11,735	23,220
Capital work-in-progress		37,522	32,747
		<b>1,974,564</b>	<b>1,361,706</b>
Deferred Tax Assets (Net)	12	204,748	-
Long-term loans and advances	13	137,565	143,640
Other non-current assets	14	427,752	200,920
		<b>770,065</b>	<b>344,560</b>
<b>Current Assets</b>			
Trade receivables	15	413,931	436,333
Cash and cash equivalents	16	94,124	311,172
Short-term loans and advances	17	510,152	364,434
Other current assets	18	473,727	370,944
		<b>1,491,934</b>	<b>1,482,883</b>
<b>Total</b>		<b>4,236,563</b>	<b>3,189,149</b>

Notes 1 to 38 form part of the Financial Statements

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Anjum A Qazi**  
Partner  
Date : 12 July, 2022  
Place: Cape Town

**Sanjay Kapoor**  
Director  
DIN: 03584520  
Date : 12 July, 2022  
Place : Mumbai

**Mani Mamallan**  
Chairman & Managing Director  
DIN: 03584512  
Date : 12 July, 2022  
Place : Mumbai

**Pooja Panvelkar**  
Company Secretary  
Date : 12 July, 2022  
Place : Mumbai

**Sudhanshu Soman**  
Chief Financial Officer  
Date : 12 July, 2022  
Place : Mumbai

**STANDALONE FINANCIAL STATEMENTS FY 2021-2022****ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED**

CIN: U72300MH2011PTC222535

**Statement of Profit and Loss for the year ended 31st March, 2022**

Particulars	Note No	Amount in INR '000s	
		As at 31st March, 2022	As at 31st March, 2021
<b>Revenue from Continuing Operations:</b>			
Revenue from operations (Net of GST)	19	3,345,683	3,311,877
Other Income	20	79,495	118,036
<b>Total Revenue</b>		<b>3,425,178</b>	<b>3,429,913</b>
<b>Expenses:</b>			
Employee benefits expense	21	338,991	278,685
Finance costs	22	89,707	107,846
Depreciation and amortisation expense	11	399,647	390,233
Operating Expenses	23	2,251,670	2,406,851
Other General expenses	24	296,759	240,940
<b>Total Expenses</b>		<b>3,376,774</b>	<b>3,424,555</b>
<b>Profit Before Tax</b>		<b>48,404</b>	<b>5,358</b>
<b>Tax expense:</b>			
Excess provision for tax relating to prior year		-	-
Current Tax	31	-	-
Deferred Tax	31	204,748	-
<b>Profit for the year</b>		<b>253,152</b>	<b>5,358</b>
Earnings per equity share (Face Value INR 10/- each)			
Basic (INR)	30	316	8
Diluted (INR)	30	293	6

Notes 1 to 38 form part of the Financial Statements

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
 Chartered Accountants

**For and on behalf of the Board of Directors**

**Anjum A Qazi**  
 Partner  
 Date : 12 July, 2022  
 Place: Cape Town

**Sanjay Kapoor**  
 Director  
 DIN: 03584520  
 Date : 12 July, 2022  
 Place : Mumbai

**Mani Mamallan**  
 Chairman & Managing Director  
 DIN: 03584512  
 Date : 12 July, 2022  
 Place : Mumbai

**Pooja Panvelkar**  
 Company Secretary  
 Date : 12 July, 2022  
 Place : Mumbai

**Sudhanshu Soman**  
 Chief Financial Officer  
 Date : 12 July, 2022  
 Place : Mumbai

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

### ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

#### Cash Flow statement for the year ended 31st March, 2022

Particulars	Amount in INR '000s	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax as per Statement of Profit &amp; Loss</b>	<b>48,404</b>	<b>5,358</b>
<b>Adjustments for :</b>		
Depreciation and amortisation expense	399,647	390,233
Gratuity expense	4,187	2,131
Interest on MSME written back	(12,206)	-
Finance costs	89,707	107,846
Interest on Fixed Deposit	(24,315)	(15,776)
Interest on Income Tax refund	(521)	(8,416)
Provision for doubtful debts	1,992	2,407
Provision for Doubtful Recoveries (from Vendors/ Customers)	88,123	107,514
Provision for Doubtful Recoveries (Insurance)	-	21,758
Provision For Doubtful Recoveries (Insurance) - written back	(9,602)	-
Loss on Insurance Claim Receivable	19,825	-
Bad debts written off	470	3,479
Loss on receivable from CRA written off	-	47,511
Loss on Theft/Damage/Write off of Property, Plant and Equipment	88,625	1,653
Provision for Contingencies - Electricity written back	(32,805)	(92,960)
Provision for Loss on receivable from CRA written back	-	(47,511)
Provision for Diminution in value of Non-Current Investments	-	2,627
Profit on Sale and Lease back	-	(768)
<b>Operating profit before Changes in Working Capital</b>	<b>661,531</b>	<b>527,086</b>
<b>Changes in Working Capital</b>		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(68,183)	(228,570)
Short-term loans and advances	(103,050)	(138,821)
Long-term loans and advances	(2,373)	32,552
Other current assets	(109,066)	35,526
Cash in ATM	1,277	2,530
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	92,622	(65,551)
Other current liabilities	(21,106)	(45,725)
Short-term provisions	2,868	(40,820)
Long-term provisions	31,244	29,588
<b>Cash Generated from Operations</b>	<b>485,764</b>	<b>107,795</b>
Net Tax and interest on (tax paid) / refund received	(32,739)	89,648
<b>Net Cash flow from Operating Activities (A)</b>	<b>453,025</b>	<b>197,443</b>

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

## ELECTRONIC PAYMENT AND SERVICE PRIVATE LIMITED

CIN: U72300MH2011PTC222535

## Cash Flow statement for the year ended 31st March, 2022

Amount in INR '000s

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>B. Cash Flow from Investing Activities</b>		
Capital expenditure on Property, Plant and Equipment, including capital advances	(978,577)	(71,402)
Interest on Fixed Deposit received	20,375	15,694
Purchase of long-term investments in subsidiary	-	(2,627)
Bank Balances not considered as Cash and Cash Equivalents	(226,832)	21,351
Balances with banks in Deposit accounts - over three months	46,409	(6,319)
<b>Net Cash Flow (used in) Investing Activities (B)</b>	<b>(1,138,625)</b>	<b>(43,303)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from short-term borrowings (overdraft / cash credit)	5,195,538	4,081,921
Repayment of short-term borrowings (overdraft / cash credit)	(5,308,145)	(4,107,055)
Proceeds from long-term borrowings	1,058,398	345,689
Repayment of long-term borrowings	(339,846)	(476,282)
Payment of Finance Cost	(89,707)	(89,688)
<b>Cash Flow from Financing Activities (C)</b>	<b>516,238</b>	<b>(245,415)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(169,362)	(91,275)
Add: Cash and Cash Equivalents at the beginning of the year	263,422	354,697
<b>Cash and Cash Equivalents at the end of the year</b>	<b>94,060</b>	<b>263,422</b>

## Notes to Cash Flow Statement:

1) Cash and Cash equivalents includes cash and bank balances in current accounts.

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Cash and Cash Equivalents comprises of</b>		
Cash on hand	26	26
Balance with Banks	94,034	263,396
<b>Cash and Cash equivalents as per Note 16</b>	<b>94,060</b>	<b>263,422</b>

2) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS-3) "Cash Flow Statement" specified under section 133 of The Companies Act 2013.

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

For and on behalf of the Board of Directors

**Anjum A Qazi**  
Partner  
Date : 12 July, 2022  
Place: Cape Town

**Sanjay Kapoor**  
Director  
DIN: 03584520  
Date : 12 July, 2022  
Place : Mumbai

**Mani Mamallan**  
Chairman & Managing Director  
DIN: 03584512  
Date : 12 July, 2022  
Place : Mumbai

**Pooja Panvelkar**  
Company Secretary  
Date : 12 July, 2022  
Place : Mumbai

**Sudhanshu Soman**  
Chief Financial Officer  
Date : 12 July, 2022  
Place : Mumbai

# STANDALONE FINANCIAL STATEMENTS FY 2021-2022

## ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

### NOTES TO THE FINANCIAL STATEMENTS

#### Note 1: Corporate Information

Electronic Payment and Services Private Limited ('EPS' or the 'Company') is an ATM operations company founded to provide ATM operation services to Banks. Further, EPS provides an integrated solution which includes the supply and installation of Automated Teller Machines ('ATMs') in all developed areas as well as supporting such business initiatives in remote areas. EPS was incorporated on 29th September, 2011 and commenced its business in June, 2012.

#### Note 2: Significant Accounting Policies

##### a Basis for preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the '2013 Act'), and the relevant provisions of the 2013 Act read with the Companies (Accounting Standards) Rules, 2006.

The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those adopted in the previous year.

##### b Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### c Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### d Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

##### e Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost. The estimated residual value for assets is taken as Nil.

Depreciation on tangible Property Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on management internal/ technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Description of Property Plant and Equipment	Useful Life
<b>Site Assets:</b>	
Automated Teller Machine	12 Years
Uninterrupted Power Supply Machine	7 Years
Site Interior and Other Merchandises	7 Years
Air Conditioner	7 Years
VSAT	7 Years
E-Surveillance	7 Years
Digital Video Recorder (DVR)	7 Years
Taken over ATMs and related assets like site interiors, VSAT, AC, UPS	3/7 Years
Office furniture and fixtures	5 Years
Office equipment	3 Years

For FY 2020-21, the Audit and Risk Committee of the Company based on a technical assessment recommended and the Board of Directors of the Company resolved that the Company changes its accounting estimates for the useful life of the block of assets for Automated Teller Machines under Property, Plant and Equipment. Accordingly, the Company has changed its accounting estimate for the remaining useful life as shown in the above table. Due to this change in accounting estimate, the depreciation for the asset block under consideration was reduced by INR 127,659,634 for the FY 2020-21.

Depreciation on tangible Property Plant and Equipment provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act are:

Description of Property Plant and Equipment	Useful Life
Computers	3 years

Intangible assets are amortised over their estimated useful life on straight line method as follows :

Description of Property Plant and Equipment	Useful Life
Computer Software	3 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

#### **f Revenue Recognition**

Revenues from contracts, are recognised when rendered; and there is reasonable certainty of ultimate realisation for the same. Revenues until the Balance Sheet date for ATM and related services provided and for which the billing is pending are aggregated and reported as Unbilled Revenue.

#### **g Other Income**

- (i) Profit/ Loss on sale of Property Plant and Equipment is recognised on transfer of significant risks and rewards of ownership of the asset to the buyer.
- (ii) Interest on fixed deposits recognised on time proportion basis, having regard to the amount outstanding and the rate applicable.
- (iii) Dividend income is accounted when such dividend is declared and the Company's right to receive payment is established.

#### **h Property, Plant and Equipment**

- (i) Property, Plant and Equipment including intangible assets are stated at cost of acquisition less accumulated depreciation, amortisation and impairment, if any. The cost of Property, Plant and Equipment includes all incidental expenses related to acquisition and installation and other pre-operation expenses until the asset is ready to put to use for its intended purposes.

- (ii) Capital work in progress includes, tangible assets which are not yet installed at ATM sites, are carried at cost, comprising direct cost, related incidental expenses and attributable interest, if applicable.
- (iii) Capital work in progress also includes software related expenses that are under developmental stage or have not been given clearance for going live.

#### **i Foreign Currency Transactions**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate to the rate on the date of the transaction. Foreign currency monetary items of the Company, outstanding at the Balance Sheet date are restated at the year-end rates.

#### **j Investments**

Investments are accounted for and valued as per Accounting Standard (AS) 13 - 'Accounting for Investments' as specified under Section 133 of the 2013 Act. Cost of Investments include acquisition charges such as brokerage, fees and other incidental expenses. Long Term Investments are carried individually at cost less provision for diminution, other than temporary diminution, in the value of such Investments. Current Investments are carried individually, at cost or fair value, whichever is less.

#### **k Employee Benefits**

Employee Benefits include provident fund and gratuity.

##### **Defined-contribution plans**

The Company's contribution to provident fund is considered as a defined contribution plan and is charged as an expense as they fall due, based on the amount of contribution required to be made and when services are rendered by the employees.

##### **Defined-benefits plans**

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at the date of the Balance Sheet. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets.

##### **Other Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### **l Leases**

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment. Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### **m Earnings per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is

computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive instruments.

#### **n Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

#### **o Provisions, Contingent Liabilities and Contingent Assets**

In accordance with AS-29, Provisions, Contingent Liabilities and Contingent Assets, the Company recognises provisions when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Provisions are determined based on management estimate required to settle the obligation at the Balance Sheet date, supplemented by experience of similar transactions. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

A disclosure of contingent liability is made when there is:

- a possible obligation arising from a past event, the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Company; or
- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets, if any, are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

#### **p Impairment of Assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Statement of Profit and Loss to the extent the carrying amount of assets exceeds their estimated recoverable amount.

#### **q Onerous contracts**

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

**r Goods and Services Tax ('GST')**

GST is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

**s Employee share based payment**

The Company has constituted an Employee Stock Option Plan - "Electronic Payment and Services - Employee Stock Option Plan 2014" ('EPS-ESOP 2014') and "Electronic Payment and Services - Employee Stock Option Plan 2015" ('EPS-ESOP 2015'). Employee Stock Options granted are accounted under the 'Intrinsic Value Method' stated in the Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India.

**t Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**u Borrowing cost**

Borrowing costs include interest and ancillary costs incurred in connection with the borrowing of funds which are charged to the Statement of Profit and Loss, with the loan processing fee being amortised over the tenure of the loan.

**v Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

## ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

## Notes forming part of Financial Statements

## Note 3 : Share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares	INR in '000	Number of Shares	INR in '000
<b>(a) Authorised</b>				
Equity Shares of INR 10/- each	1,310,000	13,100	1,310,000	13,100
Compulsory Convertible Preference Shares of INR 10/- each	5,700,000	57,000	5,700,000	57,000
	<b>7,010,000</b>	<b>70,100</b>	<b>7,010,000</b>	<b>70,100</b>
<b>(b) Issued, Subscribed and fully paid-up</b>				
Equity Shares of INR 10/- each	801,252	8,013	699,800	6,998
Series B and Series C Compulsory Convertible Preference Shares ('CCPS') of INR 10/- each	-	-	2,559,100	25,591
<b>Total</b>	<b>801,252</b>	<b>8,013</b>	<b>3,258,900</b>	<b>32,589</b>

## Note 3 (a) : Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares	INR in '000	Number of Shares	INR in '000
<b>i. Equity Shares</b>				
Outstanding at the beginning of the year	699,788	6,998	699,788	6,998
Add/(Less): Changes during the year	101,464	1,015	-	-
<b>Closing Balance</b>	<b>801,252</b>	<b>8,013</b>	<b>699,788</b>	<b>6,998</b>
<b>ii. Series B CCPS:</b>				
Outstanding at the beginning of the year	58,635	586	58,635	586
Add/(Less): Changes during the year	(58,635)	(586)	-	-
Closing Balance	-	-	58,635	586
<b>Series C CCPS:</b>				
Outstanding at the beginning of the year	2,500,525	25,005	2,500,525	25,005
Add/(Less): Changes during the year	(2,500,525)	(25,005)	-	-
Closing Balance	-	-	2,500,525	25,005
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,559,160</b>	<b>25,591</b>

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

### ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

#### Notes forming part of Financial Statements

##### Note 3 (b) : Details of shareholders holding more than 5% Shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares held	% Shareholding	Number of Shares held	% Shareholding
<b>i. Equity Shares</b>				
Vidya Rani Mani Mamallan	90,000	11.23%	90,000	12.86%
Aavishkaar India II Company Limited	168,635	21.05%	168,635	24.10%
Aavishkaar Goodwell India Microfinance Development Company II Limited	105,038	13.11%	105,038	15.01%
APIS Growth 3 Limited	220,448	27.51%	220,448	31.50%
Asia Participations B.V.	166,889	20.83%	65,425	9.35%
Others	50,242	6.27%	50,242	7.18%
<b>Total</b>	<b>801,252</b>	<b>100.00%</b>	<b>699,788</b>	<b>100.00%</b>
<b>ii. Series B CCPS</b>				
Asia Participations B.V.	-	0.00%	58,635	100.00%
<b>iii. Series C CCPS</b>				
Asia Participations B.V.	-	0.00%	2,500,525	100.00%

Disclosure of shareholding of promoters and percentage of change during the year.

##### Equity Share capital

Sr. No.	Promoter Name	Shares held by promoter at the end of the year		Shares held by promoter at the beginning of the year		% change during the year**
		Number of Shares	% of total Share	Number of Shares	% of total Share	
1	Vidya Rani Mani Mamallan	90,000	11.23%	90,000	12.86%	-1.63%
2	Sanjay Amirt Kapoor	26,250	3.28%	26,250	3.75%	-0.48%
3	Guruswamy Ramakrishnan	15,000	1.87%	15,000	2.14%	-0.27%
	<b>Total</b>	<b>131,250</b>	<b>16.38%</b>	<b>131,250</b>	<b>18.76%</b>	<b>-2.38%</b>

\* The change in percentage shareholding of the promoters during the financial year is on account of conversion of Series B and Series C CCPS.

##### Note 3(c): Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of INR 10 per share.

Each holder of Equity Shares is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive, in proportion to their shareholding, the remaining assets of the Company after distribution of all preferential amounts.

**Note 3(d) :Terms of Conversion of CCPS**

**Series B CCPS:**

During the year, 58,635 Series B CCPS have been compulsorily converted into 58,635 Equity Shares as per the terms of allotment.

**Series C CCPS:**

During the year, 2,500,525 Series B CCPS have been compulsorily converted into 42,829 Equity Shares as per the terms of allotment.

Capitalised terms not defined herein but used above are as defined in the respective agreements.

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

## ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

## Notes forming part of Financial Statements

Particulars	Amount in INR '000s	
	As at 31st March, 2022	As at 31st March, 2021
<b>Note 4 : Reserves and surplus</b>		
<b>(a) Securities Premium Account</b>		
Opening balance	2,427,737	2,427,737
Add/(Less): Changes during the year	24,576	-
<b>Closing balance</b>	<b>2,452,313</b>	<b>2,427,737</b>
<b>(b) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	(848,266)	(853,624)
Add/(Less): Profit/(Loss) for the year	253,152	5,358
<b>Closing balance</b>	<b>(595,114)</b>	<b>(848,266)</b>
<b>(c) Employee Stock Options Scheme Outstanding</b>		
Opening balance	50,185	50,185
Add: Amount recorded on grants (refer note 33)	-	-
<b>Closing balance</b>	<b>50,185</b>	<b>50,185</b>
<b>(d) Capital Reserve</b>		
Opening balance	13,377	13,377
Add/(Less): Changes during the year	-	-
<b>Closing balance</b>	<b>13,377</b>	<b>13,377</b>
<b>Total</b>	<b>1,920,761</b>	<b>1,643,033</b>

## Note 5 : Long-term borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>(a) Term loans</b>		
Secured		
(i) From Banks	626,742	124,150
(ii) From Others	333,275	215,982
<b>Total</b>	<b>960,017</b>	<b>340,132</b>

## Note 5 (i) : Details of terms of repayment for the long-term borrowings and security provided in respect of the long-term borrowings:

<b>(a) Term Loans from Banks</b>		
<b>Secured</b>	<b>862,831</b>	<b>307,521</b>
Repayable over 27-66 months (Previous Year 30-42 months) with interest rate of 9.86 % (Previous Year interest - 12.25%)		
Secured against:		
1) Specific Trade Receivables and specific ATMs, UPS, Site Interiors & other Merchandise, Air conditioners, VSAT and e-surveillance equipment		
2) Lien marked against specific fixed deposits		
3) Personal Guarantee of Promoters		

**Note 5 (i) : Details of terms of repayment for the long-term borrowings and security provided in respect of the long-term borrowings:**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>(b) Term Loans from Others</b>		
<b>Secured</b>	<b>473,176</b>	<b>309,934</b>
Repayable over 36-66 months (Previous Year 36 months) with interest rate of 9.26% (Previous Year interest - 9.25%)		
Secured against:		
1) Specific Trade receivables and specific ATM, UPS, Site Interiors & other Merchandise, Air conditioners, VSAT and e-surveillance equipment		
2) Lien marked against specific fixed deposits		
3) Personal Guarantee of Promoters		
	<b>1,336,007</b>	<b>617,455</b>
Less: Current Maturities of Term Loans from Banks, Term Loan from Others and Finance Lease Obligations (Refer Note 10)	(375,990)	(277,323)
<b>Total Long-term borrowings</b>	<b>960,017</b>	<b>340,132</b>

Note 5.1: The Company has requested and availed for the moratorium on interest and principal payments on term loans for the period from April 2020 to August 2020 as per the notifications issued by RBI in the wake of the disruptions on account of COVID-19 pandemic.

**Note 6: Long-term provisions**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits (Refer Note 26 (B))	21,486	16,607
Provision for Electricity (Refer Note 34)	61,323	63,576
<b>Total</b>	<b>82,809</b>	<b>80,183</b>

**Note 7: Trade Payables**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Dues of Micro and Small Enterprises (Refer Note 7.1 below)	150,193	76,891
(b) Dues other than Micro and Small Enterprises	420,586	413,472
<b>Total</b>	<b>570,779</b>	<b>490,363</b>

**Note 7 : Trade payables****Trade Payables ageing schedule**

Particulars	Outstanding for March 31, 2022					Total
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	
MSME	114,064	31,026	83	196	-	145,369
Others	344,490	39,634	115	-	-	384,239
Disputed Dues - MSME	2,875	1,949	-	-	-	4,824
Disputed Dues - Others	-	30,297	6,050	-	-	36,347
<b>Total</b>	<b>461,429</b>	<b>102,906</b>	<b>6,248</b>	<b>196</b>	<b>-</b>	<b>570,779</b>

Particulars	Outstanding for March 31, 2021					Total
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	
MSME	75,974	756	22	139	-	76,891
Others	369,041	8,443	2,884	3,104	-	383,472
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	30,000	-	-	-	30,000
<b>Total</b>	<b>445,015</b>	<b>39,199</b>	<b>2,906</b>	<b>3,243</b>	<b>-</b>	<b>490,363</b>

**Note 7.1: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	150,193	76,891
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	(12,982)	2,558
(c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	776	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(e) The amount of interest accrued during the year and remaining unpaid at the end of the respective accounting year	-	2,558
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	776	12,982

Dues to Micro and Small Enterprises have been determined based on confirmations collected by the Company from such enterprises. Reversal of provision for interest on Micro and Small Enterprises payables is based on confirmation of dues and waiver of interest as obtained from the respective MSME creditors by the Company. This has been relied upon by the auditors.

**Note 8: Other current liabilities**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposits received	12,150	75,550
Other Payables:		
Statutory remittances	21,171	15,028
Payable to employees	654	8
Payable to Franchisees	-	376
Advance from Customers	4,052	12,350
Payable on Purchase of Property Plant and Equipment	143,516	20,003
Other Payables	95,363	51,184
<b>Total</b>	<b>276,906</b>	<b>174,499</b>

**Note 9: Short-term provisions**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits :		
Provision for gratuity (Refer Note 26 (B))	978	2,624
Provision for expenses	40,310	35,796
<b>Total</b>	<b>41,288</b>	<b>38,420</b>

**Note 10: Short-term borrowings**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Overdraft from Banks</b>		
<b>Secured against:</b>		
1) Specific Trade Receivables and Specific ATM, UPS, Site Interiors and other Merchandise, Air conditioners, VSAT and e-surveillance equipment;	-	112,607
2) Lien marked against specific fixed deposits; and/or		
3) Personal Guarantee of Promoters		
<b>Current maturities of long term debt (Refer Note 5(i))</b>		
<b>Secured:</b>		
(a) Term loans from Banks	236,089	183,371
(b) Term loans from Others	139,901	93,952
<b>Total</b>	<b>375,990</b>	<b>389,930</b>

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

### ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

Note 11 : Property, Plant and Equipment

Sr. No	Property, Plant And Equipment	Balance As At 01.04.2021		Gross Block		Balance As At 31.03.2022		Accumulated Depreciation			Net Block	
		As At 01.04.2021	As At 31.03.2022	Additions	Disposals	As At 31.03.2022	As At 01.04.2021	Depreciation/ Amortisation Expense For The Year	On Disposal	Balance As At 31.03.2022	Balance As At 31.03.2021	Balance As At 31.03.2020
<b>A</b>	<b>Tangible Assets</b>											
	Automated Teller Machine	2,055,721	2,583,907	541,102	12,916	2,583,907	1,034,238	232,978	6,339	1,260,877	1,323,030	1,021,483
	Uninterrupted Power Supply Machine	148,626	179,212	77,928	47,342	179,212	117,188	20,783	42,514	95,457	83,755	31,438
	Site Interior & Other Merchandises	588,611	713,017	289,900	165,494	713,017	440,297	74,930	123,504	391,723	321,294	148,314
	Air Conditioner	133,013	206,711	98,619	24,921	206,711	100,231	20,969	20,696	100,504	106,207	32,782
	VSAT	136,071	160,890	68,535	43,716	160,890	85,114	25,434	28,445	82,103	78,787	50,958
	E-Surveillance	53,488	44,470	-	9,018	44,470	39,630	6,742	7,565	38,807	5,663	13,857
	Furniture and Fixtures	3,885	867	44	3,062	867	3,752	79	3,063	768	99	133
	Office Equipment	8,377	6,012	30	2,395	6,012	8,208	112	2,395	5,925	87	169
	Computers	22,140	24,469	3,415	1,086	24,469	15,535	3,635	1,086	18,084	6,385	6,605
	<b>Total</b>	<b>3,149,932</b>	<b>3,919,555</b>	<b>1,079,573</b>	<b>309,950</b>	<b>3,919,555</b>	<b>1,844,193</b>	<b>385,662</b>	<b>235,607</b>	<b>1,994,248</b>	<b>1,925,307</b>	<b>1,305,739</b>
<b>B</b>	<b>Intangible Assets</b>											
	Computer software	116,806	76,902	2,500	42,404	76,902	93,586	13,985	42,404	65,167	11,735	23,220
	<b>Total</b>	<b>116,806</b>	<b>76,902</b>	<b>2,500</b>	<b>42,404</b>	<b>76,902</b>	<b>93,586</b>	<b>13,985</b>	<b>42,404</b>	<b>65,167</b>	<b>11,735</b>	<b>23,220</b>
	<b>Grand Total</b>	<b>3,266,738</b>	<b>3,996,457</b>	<b>1,082,073</b>	<b>352,354</b>	<b>3,996,457</b>	<b>1,937,779</b>	<b>399,647</b>	<b>278,011</b>	<b>2,059,415</b>	<b>1,937,042</b>	<b>1,328,959</b>

Notes: Additions and deletions are grossed up by INR 4,480,178/- towards shifting.

#### Capital Work in Progress ageing schedule

Particulars	As at 31st March, 2022			As at 31st March, 2021				
	<1 year	1-2 years	More than 3 years	Total	<1 year	1-2 years	More than 3 years	Total
<b>Projects in progress*</b>								
Brown Label ATMs	35,633	444	1,445	37,522	1,442	-	1,686	3,128
Other ATMs	-	-	-	-	6,520	11,406	9,002	27,155
Software	-	-	-	-	539	575	1,350	2,464
<b>Total</b>	<b>35,633</b>	<b>444</b>	<b>1,445</b>	<b>37,522</b>	<b>8,501</b>	<b>11,981</b>	<b>10,352</b>	<b>32,747</b>

Notes: Additions and deletions are grossed up by INR 4,480,178/- towards shifting.

## STANDALONE FINANCIAL STATEMENTS FY 2021-2022

### ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

Note 11 : Property, Plant and Equipment

Sr. No	Property, Plant And Equipment	Gross Block		Accumulated Depreciation		Net Block					
		Balance As At 01.04.2020	Balance As At 31.03.2021	Balance As At 01.04.2020	Balance As At 31.03.2021	Balance As At 01.04.2020	Balance As At 31.03.2021				
<b>A Tangible Assets</b>											
<b>Automated Teller Machine</b>											
	Owned	2,048,134	22,493	14,906	2,055,721	819,111	217,283	2,156	1,034,238	1,021,483	1,229,023
	Taken under finance lease	137,613	-	137,613	-	136,265	919	137,184	-	-	1,348
<b>Uninterrupted Power Supply Machine</b>											
	Owned	146,828	1,798	-	148,626	95,056	22,132	-	117,188	31,438	51,772
	Taken under finance lease	11,457	-	11,457	-	11,252	81	11,333	-	-	205
<b>Site Interior &amp; Other Merchandises</b>											
	Owned	575,370	14,532	1,291	588,611	359,682	81,174	559	440,297	148,314	215,688
	Taken under finance lease	45,082	-	45,082	-	44,665	238	44,903	-	-	416
<b>Air Conditioner</b>											
	Owned	132,879	134	-	133,013	82,245	17,986	-	100,231	32,782	50,634
	Taken under finance lease	470	-	470	-	461	9	470	-	-	9
<b>VSAT</b>											
	Owned	128,430	7,641	-	136,071	62,765	22,349	-	85,114	50,957	65,665
	Taken under finance lease	3,870	-	3,870	-	3,829	41	3,870	-	-	41
	E-Surveillance	50,763	-	-	50,763	30,444	7,197	-	37,641	13,122	20,319
	Digital Video Recorder (DVR)	2,725	-	-	2,725	1,566	423	-	1,989	736	1,159
	Furniture and Fixtures	3,960	-	75	3,885	3,495	309	52	3,752	133	465
	Office Equipment	8,291	86	-	8,377	6,812	1,396	-	8,208	169	1,479
	Computers	16,358	5,782	-	22,140	12,340	3,195	-	15,535	6,605	4,018
	<b>Total</b>	<b>3,312,230</b>	<b>52,466</b>	<b>214,764</b>	<b>3,149,932</b>	<b>1,669,988</b>	<b>374,732</b>	<b>200,527</b>	<b>1,844,193</b>	<b>1,305,739</b>	<b>1,642,241</b>
<b>B Intangible Assets</b>											
	Computer software	112,034	4,772	-	116,806	78,085	15,501	-	93,586	23,220	33,949
	<b>Total</b>	<b>112,034</b>	<b>4,772</b>	<b>-</b>	<b>116,806</b>	<b>78,085</b>	<b>15,501</b>	<b>-</b>	<b>93,586</b>	<b>23,220</b>	<b>33,949</b>
	<b>Grand Total</b>	<b>3,424,264</b>	<b>57,238</b>	<b>214,764</b>	<b>3,266,738</b>	<b>1,748,073</b>	<b>390,233</b>	<b>200,527</b>	<b>1,937,779</b>	<b>1,328,959</b>	<b>1,676,190</b>

**Note 12: Deferred Tax Assets (Net)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Assets	204,748	-
<b>Total</b>	<b>204,748</b>	<b>-</b>

**Note 13: Long-term loans and advances**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured &amp; considered good:</b>		
Security Deposits	39,783	43,229
Prepaid expenses	9,403	4,042
Other statutory remittances recoverable	2,369	2,412
Balances with government authorities:		
- GST Input Tax Credit / Cenvat Credit receivable	501	-
- Tax (TDS) refund receivable	85,434	93,957
- Tax (TCS) refund receivable	75	-
<b>Total</b>	<b>137,565</b>	<b>143,640</b>

**Note 14: Other non-current assets**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with Banks in fixed deposit accounts (In Earmarked Accounts)		
- Balances held as security against borrowings	132,539	126,889
- Balances held as margin money against guarantees	295,213	74,031
<b>Total</b>	<b>427,752</b>	<b>200,920</b>

**Note 15: Trade receivables**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured	51,831	66,103
Less : - Provision for doubtful Trade Receivables	(17,665)	(15,673)
<b>Total (A)</b>	<b>34,166</b>	<b>50,430</b>
<b>Others</b>		
Unsecured	278,232	261,108
Less : - Provision for doubtful Trade Receivables	-	-
	<b>278,232</b>	<b>261,108</b>
Other Receivables	358,819	293,958
Less : - Provision for Doubtful Recoveries	(257,286)	(169,163)
	<b>101,533</b>	<b>124,795</b>
<b>Total (B)</b>	<b>379,765</b>	<b>385,903</b>
<b>Total (A+B)</b>	<b>413,931</b>	<b>436,333</b>

## Note 15: Trade receivables

## Trade Receivables ageing schedule

Particulars	Outstanding for March 31, 2022					Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 Years	
(i) Undisputed Trade receivables – considered good	-	278,232	6,430	17	2,318	287,082
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	1,145	10,598	3,218	17,665
(iv) Disputed Trade Receivables considered good	-	-	168	3,339	2,744	25,316
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	-	<b>278,232</b>	<b>7,743</b>	<b>13,954</b>	<b>8,280</b>	<b>330,063</b>
Particulars	Outstanding for March 31, 2021					Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 Years	
(i) Undisputed Trade receivables – considered good	-	261,108	26,335	295	22	287,760
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	907	11,794	2,972	15,673
(iv) Disputed Trade Receivables considered good	-	-	1,968	2,745	19,065	23,778
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	-	<b>261,108</b>	<b>29210</b>	<b>14,834</b>	<b>22,059</b>	<b>327,211</b>

**Note 16: Cash and cash equivalents**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash on hand	26	26
Balance with banks		
In Current Accounts	28,787	263,396
In Cash Credit and Overdraft Accounts (Debit Balance)	65,247	-
<b>Total A - (Cash and Cash Equivalent as per AS-3)</b>	<b>94,060</b>	<b>263,422</b>
Cash in ATM	-	1,277
Balance in Term Deposit		
Less than 12 Months	64	46,473
More than 12 Months	-	-
<b>Total (B)</b>	<b>64</b>	<b>47,750</b>
<b>Total (A+B)</b>	<b>94,124</b>	<b>311,172</b>

**Note 17: Short-term loans and advances**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured and considered good:</b>		
Capital Advances	970	10
Security Deposits	135,417	130,025
Loans and advances to related parties (Refer Note 28)	91	852
Loans and advances to employees	262	1,185
Prepaid expenses	133,061	60,555
<b>Balances with Government Authorities:</b>		
- GST Input Tax Credit / Cenvat Credit receivable	177,183	100,706
- Tax (TDS) refund receivable	41,708	-
Advance to suppliers	17,487	41,548
Other receivables	3,973	29,553
<b>Total</b>	<b>510,152</b>	<b>364,434</b>

**Note 18: Other current assets**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unbilled Revenue	430,664	299,428
Insurance Claims receivable	50,251	92,246
Less : - Provision for doubtful recoveries	(12,156)	(21,758)
Insurance Claims receivable (Net)	38,095	70,488
Interest accrued on fixed deposits	4,968	1,028
<b>Total</b>	<b>473,727</b>	<b>370,944</b>

**Note 19: Revenue from operations**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Income from ATM Services (net of GST)	3,308,348	3,289,926
Income from Non-ATM Business (net of GST)	37,335	21,951
<b>Total</b>	<b>3,345,683</b>	<b>3,311,877</b>

**Note 20: Other Income**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Fixed Deposit	24,315	15,776
Interest on Income tax refund	521	8,416
Interest on MSME written back	12,206	-
Provision for Contingencies - Electricity written back (Refer Note 34)	32,805	92,960
Profit on Sale and Lease back	-	768
Provision For Doubtful Recoveries (Insurance) - written back	9,602	-
Other Income	46	116
<b>Total</b>	<b>79,495</b>	<b>118,036</b>

**Note 21: Employee Benefits Expense**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salary, wages & bonus	310,954	256,674
Contribution to Provident Fund (Refer Note 26(A))	9,111	9,142
Gratuity expense (Refer Note 26(B))	4,187	2,131
Staff welfare expenses	14,739	10,738
<b>Total</b>	<b>338,991</b>	<b>278,685</b>

**Note 22: Finance Costs**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Borrowings	81,080	94,970
Interest on Finance Lease	-	89
Loan Processing Fees	8,533	9,154
Prepayment charges	-	3,008
Interest on delayed payment of taxes	94	625
<b>Total</b>	<b>89,707</b>	<b>107,846</b>

**Note 23: Operating Expenses**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Annual Maintenance Charges	314,411	292,368
Caretaker Charges	150,532	106,715
Consumables Charges	26,490	17,110
Cash Replenishment Charges	673,942	651,654
Management Service Charges	15,187	15,785
Site Electricity	161,736	162,615
EMV and Related Expenditure	-	50,318
Site Housekeeping	53,699	51,385
Satellite (VSAT) Charges	50,547	44,600
Site Rent	389,985	345,722
Other Operating Charges	43,608	13,202
UPS charges	119,584	125,060
Insurance Premium	54,206	77,076
Site Repairs Charges	125,189	105,090
Site Shifting Charges	37,475	27,263
Royalty Fee	-	8,805
Sponsor Bank Charges	2,591	2,691
Software Management Charges	32,360	41,732
Franchise Fee	65	265,535
NPCI Charges	63	2,125
<b>Total</b>	<b>2,251,670</b>	<b>2,406,851</b>

**Note 24: Other General Expenses**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Professional and Consultancy Charges	24,315	20,396
Rates and Taxes	181	453
Office and guest house rent Charges	7,448	17,230
Payments to the auditor (Refer Note 24 (i) below)	6,502	8,584
Bank Charges and Commission	4,952	5,104
Insurance Charges	1,871	1,183
Office Electricity	1,088	1,008
Repairs and Maintenance	1,744	1,666
Telecom Expenses	1,472	1,895
Travelling and Conveyance Expenses	11,622	9,145
Business Promotion Expenses	1,252	1,236
Membership and Registration Charges	1,971	3,620
Office Expenses	4,191	3,759
Postage and Courier	582	306
Printing and Stationery	2,525	1,192
Motor Car Expenses	260	383
Net loss on sale of Fixed Assets (net of recoveries)	88,625	1,653
Provision for Doubtful Debts	1,992	2,407

**Note 24: Other General Expenses (Continued)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Provision for Doubtful Recoveries (from Customers/Vendors)	88,123	107,514
Provision for Doubtful Recoveries (Insurance)	-	21,758
Bad Debts written off	470	3,479
Provision for Loss on Receivable from CRA written back	-	(47,511)
Loss on Receivable from CRA Written off	-	47,511
Loss on Insurance Claim Receivable	19,825	-
Provision for Diminution in value of Non-Current Investments	-	2,627
Provision for Diminution in value of Non-Current Investments written back	(45,284)	-
Non-Current Investments written off	45,284	-
Car Lease Rentals (Refer Note 29(ii))	3,811	4,085
CSR Expense	376	1,025
Interest on MSME	-	2,558
Software Expenses	7,828	16,158
Other General Expenses - amounts written off	13,701	-
Miscellaneous Expenses	32	516
<b>Total</b>	<b>296,759</b>	<b>240,940</b>

**Note 24: (i) Payments to the auditor comprise**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) To Statutory Auditor		
For Audit	3,350	3,500
For Other Services		
- Direct Tax	1,000	1,000
- Indirect Tax	1,800	3,720
- Consultancy charges	250	300
Reimbursement of expenses	102	64
<b>Total</b>	<b>6,502</b>	<b>8,584</b>

**Note 24: (ii) Amounts paid in Foreign Currency**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amount spent in foreign currency	280	3,701
<b>Total</b>	<b>280</b>	<b>3,701</b>

**Note 24: (iii) CSR Expense****Corporate Social Responsibility expenditure**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amount required to be spent during the year	1,078	-
Amount of expenditure incurred up to prior years set off in the year	1,025	-
Amount of expenditure incurred during the year	376	1,025
Total of previous years Excess carried forward / (Shortfall)	323	1,025
Reason for shortfall	NA	NA
Nature of CSR activities	Healthcare	Healthcare
Details of related party transactions	NA	NA

The Company meets the threshold criteria established under section 135(5) of the Companies Act, 2013 for CSR activities and was required to spend INR in '000s 1,078 on CSR activities during the year under review.

The excess CSR contributions made up to the previous financial years of INR in '000s 1,025 shall be set off against the CSR obligation for the year under review. In addition, contribution of INR in '000s 376 was made towards CSR activity in FY 2021-22, resulting in a total contribution of INR in '000s 1,401.

Thereby, excess contribution of INR in '000s 323 is available for set off against the requirement to spend on CSR activity in the immediately succeeding three financial years, if applicable, subject to approval of the Board of Directors.

**Note 25: Contingent Liabilities and Commitments (to the extent not provided for):****(a) Contingent liabilities**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Claims against the Company not acknowledged as debt		
Service Tax	46,849	46,849
MVAT	1,286	1,286

Future cash outflows in respect of the above matters is determinable only on receipt of final judgments / decisions pending at various forums / authorities.

**(b) Commitments**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Estimated amount of contracts remaining to be executed on capital account and not accounted for	43,402	5,256

**Note 26: Employee Benefits****(A) Defined Contribution Plan**

The Company makes Provident Fund contributions which is a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company recognised INR in '000s 9,111 (previous year INR in '000s 9,142) for Provident Fund contributions in the Statement of Profit and Loss.

**(B) Defined Benefit Plan**

The Company offers the following employee benefit schemes to its employees:

**Gratuity**

The Company is statutorily required to provide for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees. The gratuity liability is not funded by the Company.

Present Liability of Gratuity has been accounted for on the basis of actuarial valuation done by a professional Actuary and this has been relied upon by the auditors.

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>I. Actuarial assumptions:</b>		
Salary Escalation*	10.00% p.a.	10.00% p.a.
Expected Return on Plan Assets**	N/A	N/A
Discount Rate***	6.98% p.a.	6.44% p.a.
Attrition Rate	For service 2 years and below 17.00% p.a. For service 3 years to 4 years 12.00% p.a. For service 5 years and above 6.00% p.a.	For service 2 years and below 17.00% p.a. For service 3 years to 4 years 12.00% p.a. For service 5 years and above 6.00% p.a.
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate
* The estimate of future salary increases considered, in actuarial valuation, takes into account the inflation, seniority, promotion, increments and other relevant factors such as supply and demand factors in employments markets.		
** Company does not have any earmarked investment for gratuity liability; hence rate of return on plan asset is not applicable.		
*** The discount rate is based on the prevailing market yields of Government of India securities as at the date of the Balance Sheet for the estimated term of the obligations.		

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>II. Table showing change in Benefit Obligation:</b>		
Liability at the beginning of the year	19,231	18,250
Interest cost	1,238	1,102
Current service cost	3,357	3,608
Past service cost (vested benefits)	-	-
Benefits paid	(954)	(1,150)
Actuarial (gain)/ loss on obligation	(408)	(2,580)
<b>Liability at the end of the year</b>	<b>22,464</b>	<b>19,230</b>
<b>III. Fair value of Plan Assets:</b>	-	-
<b>IV. Actual return on Plan Assets:</b>	-	-
<b>V. Amount Recognised in the Balance Sheet</b>		
Present value of benefit obligation	(22,464)	(19,230)
Net asset/ (liability) recognised in the Balance Sheet	(22,464)	(19,230)
<b>VI. Percentage of each category of Plan assets to total fair value of Plan Assets</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>VII. Expenses recognized in the Statement of Profit &amp; Loss:</b>		
Current service cost	3,357	3,608
Interest cost	1,238	1,102
Actuarial (gains)/losses	(408)	(2,580)
<b>Expenses recognized in Statement of Profit and Loss</b>	<b>4,187</b>	<b>2,130</b>

**II. Table showing change in Benefit Obligation:**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>VIII. Balance Sheet Reconciliation</b>		
Opening net liability	19,230	18,250
Benefits paid	(954)	(1,150)
Expense as above	4,187	2,130
Net Liability / (Asset) recognised in Balance Sheet	22,463	19,230
Short term liability	978	2,624
Long term liability	21,486	16,607
<b>Net Liability / (Asset) recognised in Balance Sheet</b>	<b>22,464</b>	<b>19,231</b>
<b>IX. Actuarial (Gains)/Losses on Obligations</b>		
(i) Due to change in demographic assumptions	7	-
(ii) Due to change in financial assumptions	(1,170)	(737)
(iii) Due to experience adjustment	755	(1,843)
<b>Actuarial (Gains)/Losses on Obligations</b>	<b>(408)</b>	<b>(2,580)</b>

**Note 27: Segment Reporting**

As per the definitions of 'business segment' and 'geographical segment', contained in Accounting Standard - 17 (AS-17) "Segment Reporting" specified under Section 133 of the 2013 Act, the management is of the opinion that the Company's operations predominantly comprise of ATM infrastructure services within India. There is neither more than one reportable business segment nor more than one reportable geographical segment, and therefore, segment information as per AS-17 is not required to be disclosed.

**Note 28: Related party transactions****1. Details of related parties:**

Description of relationship	Names of related parties
(i) Wholly Owned Subsidiary (liquidated)	Electronic Payment Australia PTY Ltd. (liquidated on 6th September 2021)
(ii) Key Managerial Personnel (KMP) & their relatives / Directors	
Managing Director	Mr. Mani Mamallan
Director	Mr. Sanjay Kapoor
President HR & Admin, Wife of Managing Director	Mrs. Vidya Rani Mani Mamallan
Brother of Managing Director	Mr. Gangai Kondan Mani

2. Details of related party transactions during the year ended 31st March, 2022 and outstanding balances as at 31st March, 2022:

Particulars	Wholly Owned Subsidiary	KMP & their relatives / Directors
<b>Receiving of Services</b>		
Remuneration paid	-	30,254
	-	(19,900)
Perquisites paid	-	90
	-	(801)
Capital contribution made in 'Electronic Payment Australia PTY Ltd Wholly Owned Subsidiary (liquidated).	-	-
	(2,628)	-
<b>Balance outstanding at the end of the year</b>		
Investment in 'Electronic Payment Australia PTY Ltd', Wholly Owned Subsidiary (liquidated).	-	-
	(45,284)	-
Loans & Advances	-	91
	-	(852)

## Notes:

1. Payment to KMP / Directors does not include reimbursement of expenses, employer's contribution to PF and provision for gratuity.
2. Figures in bracket are for the previous year.

**Note 29: Details of leasing arrangements**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>As Lessee</b>		
<b>Operating Lease Obligations</b>		
The Company has entered into operating lease arrangement for Cars for official use. The leases are non-cancellable and are for a period of four years and may be renewed based on mutual agreement of the parties.		
<b>Future minimum lease payments</b>		
not later than one year	-	-
later than one year and not later than five years	-	-
later than five years	-	-
	-	-
Lease payments recognised in the Statement of Profit and Loss - Car Rentals	3,811	4,085

**Note 30: Earnings per share**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Net Profit after tax for the year	253,152	5,358
Net Profit after tax for the year for computation of Earnings per share	253,152	5,358
Weighted average number of equity shares (Basic)	801,252	699,800
Weighted average number of equity shares (Diluted)	863,160	863,160
Par value per share	10	10
Earnings per share from continuing operations - Basic	316	8
Earnings per share from continuing operations - Diluted	293	6

**Note 31: Deferred Tax**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Deferred Tax Asset</b>		
Expenses Disallowed Under Income Tax Act	85,843	34,648
Depreciation on Fixed Assets	114,837	98,489
Carried forward Losses	4,068	63,498
<b>Total</b>	<b>204,748</b>	<b>196,635</b>

Until the previous year, the Company had not recognised deferred tax asset as there was no reasonable / virtual certainty, supported by convincing evidence, that sufficient future taxable income will be available against which such deferred tax asset can be realized, as per AS - 22, specified under the Section 133 of the 2013 Act.

The Company has opted for lower rate of tax of 22% plus surcharge and cess as per the provisions of section 115BAA from AY 2021-22. Accordingly, the provisions of computation of book profit and MAT liability under section 115JB are not applicable to the Company.

**Note 32: Derivative Instrument and unhedged foreign currency exposures**

The Company did not have any derivative instrument outstanding as at the year end. There are no balances denominated in the foreign currencies as at year end.

**Note 33: Employee Stock Option Scheme**

In the Extra Ordinary general meeting held on 12th August, 2014, the Shareholders of the Company approved the issue of 18,750 equity options under the Scheme titled "Electronic Payment and Services - Employee Stock Option Plan 2014" ('EPS-ESOP 2014').

The ESOP 2014 allows the issue of equity options to the employees of the Company. Each option comprises one underlying equity share. As per the ESOP 2014, the Board of Directors of the Company can grant the equity options to the employees deemed eligible. The exercise price of each option shall be Rs 10/- as defined in the ESOP 2014 scheme. The vesting periods are:

- in respect of 16,800 equity options granted in September 2014 – 12 months from the date of grant
- in respect of 1,300 equity options granted in January 2016 - 50% in the 24th month; 25% in the 37th month and 25% in the 49th month from the date of the grant.

The equity options may be exercised by the eligible employees within 60 months from the date of each vesting.

As at 31st March, 2022, equity options aggregating to 17,788 (previous year 17,788) have vested to the eligible employees. The remaining 962 (previous year 962) equity options have not been granted as of 31st March, 2022. Equity options are eligible for exercise till 12th February, 2025.

The difference between the fair price of the equity share underlying the equity options granted on the date of grant of the equity option and the exercise price of the equity option representing Stock Compensation Expense is expensed over the vesting period.

Particulars (Scheme name: EPS-ESOP 2014)	During the year ended 31st March, 2022	
	Options (Numbers)	Weighted average exercise price per option (INR)
Exercisable options at the beginning of the year:	17,788	10
Option outstanding at the beginning of the year:	-	-
Granted during the year:	-	-
Vested during the year:	-	-
Exercised during the year:	-	-
Forfeited during the year:	-	-
Options outstanding at the end of the year:	-	-
Options available for grant:	962	-
Exercisable options at the end of the year	17,788	10

Weighted average remaining contractual life for options is NIL as at 31st March, 2021.

Further, in the Extra Ordinary general meeting held on 19th January, 2016, the Shareholders of the Company approved the issue of 43,158 equity options under the Scheme titled "Electronic Payment and Services - Employee Stock Option Plan 2015" ('EPS-ESOP 2015'). The Company has not granted any of these equity options to the employees of the Company.

#### Note 34: Provision for Contingencies

The Company carries a Provision for Contingencies towards loss on account and electricity charges. The management estimates the same to be settled in the upcoming years. The movement of the said provision is summarised below:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Provision for electricity</b>		
Opening balance	63,576	126,301
Addition during the year	30,552	30,235
Deductions during the year	(32,805)	(92,960)
<b>Closing balance (A)</b>	<b>61,323</b>	<b>63,576</b>
<b>Provision for PF as per the Supreme Court order dated 28th February 2019</b>		
Opening balance	334	334
Addition / (Deductions) during the year	-	-
<b>Closing balance (B)</b>	<b>334</b>	<b>334</b>
<b>Closing Balance (A+B)</b>	<b>61,657</b>	<b>63,910</b>

#### Note 35: Foreign Currency Exposure

The company does not have any unhedged/hedged exposure to Foreign Currency.

## Note 36: Additional regulatory information required by Schedule III

**(i) Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**(ii) Borrowing secured against current assets**

The Company has working capital facilities from banks on the basis of security of current assets. The revised quarterly returns or statements of current assets filed by the Company with the bank are in agreement with the books of account.

**(iii) Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**(iv) Relationship with struck off companies**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017, to the extent it is applicable to the Company.

**(vi) Compliance with approved scheme(s) of arrangements**

The company has not entered into any scheme of arrangement that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013. Thus there is no accounting impact on current or previous financial year.

**(vii) Utilisation of borrowed funds and share premium**

- a. the Company has neither directly or indirectly lent or invested in other persons or entities identified in any manner whatsoever
- b. nor provided any guarantee, security or the like to or on behalf of the ultimate beneficiaries

Also, the borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**(viii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(ix) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(x) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**(xi) Immovable property**

The Company does not own any immovable property and hence, there are no title deeds held in the name of the Company.

**(xii) Registration of charges against assets of the Company.**

The Company has complied with the requirements for registration of charges created against the assets of the Company.

**Note 37: Ratios**

Particulars	Numerator	Denominator	For the year ended 31st March, 2022	For the year ended 31st March, 2021	Remarks
Current Ratio	Current Assets	Current Liabilities	1.18	1.36	
Debt-Equity	Total Debt	Shareholder's Equity	0.69	0.44	Additional debt availed during the current year.
Debt service coverage ratio	Earnings available for debt service	Debt service	1.70	1.12	Higher earnings available for lower debt service.
Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.14	0.00	Higher earnings for the current year.
Trade receivables turnover ratio	Net Sales	Average Accounts Receivable	4.23	4.68	
Trade payables turnover ratio	Net Purchases	Average Trade Payables	4.24	4.60	
Net capital turnover ratio	Net Sales	Working Capital	14.74	8.50	Improvement in working capital.
Net profit ratio	Net Profit	Net Sales	0.08	0.00	Higher earnings for the current year.
Return on capital employed	Earning before interest and taxes	Capital Employed	0.04	0.04	

**Note 38: Previous Year**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

**For and on behalf of the Board of Directors****Sanjay Kapoor**

Director  
DIN: 03584520  
Date : 12 July, 2022  
Place : Mumbai

**Mani Mamallan**

Chairman & Managing Director  
DIN: 03584512  
Date : 12 July, 2022  
Place : Mumbai

**Pooja Panvelkar**

Company Secretary  
Date : 12 July, 2022  
Place : Mumbai

**Sudhanshu Soman**

Chief Financial Officer  
Date : 12 July, 2022  
Place : Mumbai





## **ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED**

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