

ANNUAL REPORT

2017 - 18

Transformation Leading to Innovation . Raising the Bar



 **EPS**TM
A payment system company



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COMPANY INFORMATION

EPS is the fastest growing Retail Banking Technology Services Provider comprised of diverse knowledge, expertise and trust, providing pioneer work for Indian banks and the ATM industry.

Our technology-driven solutions and services to help our customers to navigate through stringent security and compliance requirements and complex operational demands. Founded in 2011, by veterans with over 150 years of combined experience in the banking, technology and retail payments industry in India, EPS is a torch-bearer, whose work speaks for itself.

We provide end-to-end solutions and services that ensure banks, their partners and customers, securely execute transactions across a modern, compliant payment infrastructure. What started as services and solutions for the bank's ATM networks and infrastructure now covers every critical aspect of the rapidly-evolving digital, multi-channel payment domain. EPS is now an end-to-end Technology Solutions Provider for banks, whose solutions and services power innovation.

We have built a sterling reputation, delivering results reliably and dependably, having successfully deployed over 6000 ATMs for 26 banks in urban and rural India, in support of the Government of India, Ministry of Finance-led mission to boost 'Financial Inclusion'. With added numbers in the portfolio, EPS now manages over 10000 ATMs in India and continues to deliver value to the eco-system.

In addition to its footprint covering India, in 2017, EPS expanded its presence in the APAC region forming a wholly-owned subsidiary, Electronic Payment Australia PTY Ltd. EPAPL provides a comprehensive suite of payment solutions and services that cater to ATM, PoS, E-commerce, payment cards and all digital means of transactions, in that region.

As we grow from strength-to-strength, we lead our partners – the banks, their partner networks and customers, empowering them and delivering value, as we ignite the next payments revolution.



International Achievers Award



ATM Industry Champion from India 2016



Best People Insight Employee Engagement Company 2017



20 Influential Business Leaders 2017



Enterprise IT World CIO Summit & Awards 2017



BOARD OF DIRECTORS



Mr. Mani Mamallan
DIN - 03584512
Chairman and Managing Director



Mr. Sanjay Kapoor
DIN - 03584520
Director



Mr. Vineet Chandra Rai
DIN - 00606290
Nominee Director



Ms. Sushma Keshavamurthy Kaushik
DIN - 05142705
Nominee Director



Mr. Udayan Goyal
DIN - 07399005
Nominee Director



Mr. Rama Subramaniam Gandhi
DIN - 03341633
Independent Director

KEY MILESTONES

STRATEGIC INNOVATION

- Successful completion of NCR Corporation India For Taking Over Their Fully Outsourced ATM Business
- Acquisition of C-Edge Technologies Ltd.'s part ATM portfolio, which was largely debt-funded
- Increased financial strength and credibility among lenders
- EPS ATM Services (P) Ltd, a wholly owned subsidiary of EPS owning the MOF contracts was merged with EPS
- Partnership with Singapore's Ascent Tech Consulting to Jointly Offer Financial Reconciliation Services to Financial Institutions
- Expansion of business in Australia and Pacific ('APAC') region with establishment of a wholly owned subsidiary named Electronic Payments Australia Pte. Ltd.
- Former RBI Deputy Governor Shri R Gandhi Joins Eps Board as Independent Director

SOCIAL INNOVATION

- Contribution for Mentally challenged children
- Contribution towards Cancer fighting children
- Donation of CCTV cameras for specially abled school
- Contribution towards medical expenses for employee and family

- Implementation of PCI DSS 3.2, ISO 27001:2013 and ISO9001:2015 standards
- Encourage secure network and system to protect cardholder data and presence in overall payment services offerings
- Certification of EPS switch (EPSNet) on NPCI's RuPay Interface for ATM Sharing Network
- Infrastructure Services – ATM Deployment and Managed Services.
- Application Services – Transaction Switching and Processing, Interchange Gateway for ATM Sharing, EJ Management, ATM Monitoring, India Payments Stack
- Back-End Services – Card Issuance and Management, Reconciliation Services, Cash Forecasting Tool, FRM solutions

TECHNOLOGY INNOVATION

MANPOWER INNOVATION

- Learning and Development programmes
- Work - life integration, cancer awareness, offsite 360 degrees leadership development for all female employees, Advanced excel training and Soft skills training programme
- Employee Engagement: build a cohesive work place
- Organize employee engagement activities and motivate diversified participation through employee committees
- Continuous engagement through motivational stories, interactive games and seasonal campaigns
- Importance of Handling Toxic Emotions at Workplace to sustain and flourish in the corporate world
- World Sight Day" Eye Camp organised at office
- Stay Healthy. Stay Happy Health check-up camp at office
- Fun @Work
- Facilitation of Table Games, Mind Games and Skilled Games
- Encouragement of outdoor and indoor sport activities

- Laxmi Vilas Bank order to carry out ATM Managed Services
- Atmosphere 2.0 : Commemorate, Launch And Celebrate Payment Innovations And Success Stories
- Union Bank Order to Carry Out ATM Managed Services For 2700 ATMs
- Roll-out of Card Management Services in Australia

BUSINESS INNOVATION

NOTICEABLE ACCOMPLISHMENTS

- Achieved the Milestone Of 10k Plus ATMs nationally
- Featured as Top 30 Fastest Growing Company In Asia By Silicon Review Magazine
- Honoured with Most Influential Payment Professional Award At The World Payment Council



EMPOWERED BY A DREAM



- Service** To understand, determine and deliver beyond our client's needs with high standards of customer service and professionalism.

- Trust** Our endeavours exemplify our belief that trust and respect are essential for teamwork.

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

- Integrity** We are committed to a high standard of integrity.

- Value People** We value every member of our team and encourage their development.

- Excellence** We strive to excel - always.

OUR SERVICES

- Ⓞ ATM Outsourcing Services
- Ⓞ ATM Managed Services
- Ⓞ White Label ATM Services
- Ⓞ Digital Payments Services
- Ⓞ Risk & Compliance Services

MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR

Dear Stakeholders,

The year 2017 - 18 saw most of the sectors becoming key highlights in our diverse socio-economic nation, like e-infrastructure for Digital India, digital economy, health, agriculture etc, and continued its momentum to offer more inclusive financial growth. It was a challenging scenario for the payments industry with advanced technology coming into play and Fintech companies to propagate financial inclusion. Government of India, policy and regulatory bodies along with large payment corporations joined hands to promote Digital payments. According to a recent report from NITI Aayog, it was observed, that digital payments have gone up in both value and volume and retail payments have reached a high in the last five years. Total card payments, IMPS and UPI segment also registered a spectacular growth. The value of overall payments had registered a growth rate of 11.9% in the year 2017-18. One of the major drivers of this growth has been the proliferation of smartphones and tablets, internet/mobile access.



Among the main tectonic policy revamps, GST was another implementation which affected the economy as a part of the transient phase. Goods and Services Tax was rolled out this year replacing multiple taxes levied by governments. With intense political debates and parliamentary deliberations threatening its implementation for months, the tax reform was finally set in motion to tackle issues such as price rise, tax avoidance, etc.

There is a rage in the market related to the gradual shift from cash to less-cash, with digital payments platform coming into picture. Especially when post-demonetization, digital payments have trebled in volume and value across various modes from wallets to cards and interbank transfers from a year earlier, 100% rise in PoS along with debit card transactions rose, while ATM transactions remained constant at around 800 million. Card transactions at point of sale (PoS) terminals at merchant locations have also elevated, reflecting a positive trend for the economy as more people started using their debit cards for payments rather than for withdrawing cash at ATMs. Debit card transactions rose to more than 1billion in January from 817 million last year. While ATM transactions have come back to around 800 million, the incremental growth has been driven mostly by card swipes at PoS terminals.

According to a PwC report 2018, Automatic teller machines (ATMs) remain a mainstay of India's financial inclusion drive and need the central bank's support to stay relevant amid the government's push for digital payments, consultancy firm PwC said in a report. Demonetisation pulled out over 85% of the cash in circulation, forcing people to embrace digital payments. Since then, cash in circulation has reverted to its pre-demonetisation days but digital payments have come to stay. PwC also said in its report that post- demonetisation, the number of credit and debit card payments at merchant outlets had increased by 5.5%, and the amount paid through these cards by 4%, indicating faster adoption of digital payments against ATM usage.

Organizations are becoming nimbler by the day and are embracing developments which are more technology driven, not just to keep their businesses relevant but also to transform their customer experience. With increased customer expectation for seamless services, emergence of Fintechs, new payment-enabling technology and the ever-changing regulatory and policy landscape, there has been a formation of a defined payments ecosystem. As we observe the new and fresh digital landscapes overpowering the traditional mediums, opportunity in the payment's arena becomes more and more diverse. As payments infrastructure gets enhanced with next – generation innovation and tools, it makes the whole payments scenario more unique and interesting. With instant, contactless payments and blockchain technology, sky is the limit. Also, with introduction of latest technology innovations, IoT and machine learning, the industry inspires to mitigate frauds, risks, strengthen cybersecurity through stringent regulations, containment and privacy of data.



With full proof authentication measures like biometric, geo-locations, cryptography, banks along with payment system companies and Fintech players create a collaborative base.

This year kick-started with the EPS-NCR deal as we pursued this transaction till seal the deal. I am glad to inform you all that we have concluded the transaction and EPS is a 10000 Plus ATM Company today. Earlier this year we had entered a deal with C-Edge Technologies by taking over a part of their ATM portfolio alongside. The Company has grown from strength to strength since it started operations in 2012 and is now managing a portfolio of 12,500+ ATMs in short span of time. We are bullish on the growth of our ATM business in the coming years as the ATM Industry is consolidating and greenfield ATM deployments for White Label Service providers. We are also expanding our service offerings by providing digital payment acceptance infrastructure for card present and card not present transactions. Recently our Australian venture, Electronic Payment Australia(EPAPL) which is a fully owned subsidiary company of EPS India, signed a deal with INCC payments for all services related to pre paid card management.

Spirit of EPS -

At EPS, we are aligned to our core values which continues to guide us as we walk the extra mile with our clients towards a transformational journey. It keeps us agile, alert, aware of and aligned to deal with a multitude of situations in a sustained manner, while we ensure the success of our clients, employees and other stakeholders in the entire eco system. I firmly believe that employees, are an integral part of the organisational structure and have performed to the best of their potential. It is, therefore, the responsibility of the organisation to create values and platforms that help connect our employees and integrate them with the company's goals and objectives.

The Way Forward

EPS is on a healthy growth trajectory with the transformation journey, being imbibed in the core DNA, from having a pan India ATM operations presence to becoming a systems integrator. With a newly carved business strategy as a Payments Solutions Provider, we will be enabling all electronic and digital solutions for the financial sector. Our Digital platform services portfolio will soon be added with new age fraud & risk solutions, reconciliation solutions, switching services which in totality will offer 360-degree technology solutions for various payment channels. Though the ATM business is our flagship service, integrated with Manged Services and transaction processing services certified on the NPCI Switch, we are expanding our geographic clusters across the globe. As a part of our transition journey, we will be exploring the Payments system market with our digital solutions. With the penetration and sustained efforts of foray into White label ATM services, we are reaching out to the tier 3,4,5,6 segments in the country thus deepening our commitment in support of the Financial Inclusion mission.

I have witnessed some remarkable teamwork and unwavering support shown by EPS team, customers, lenders, and vendor partners as well as our shareholders. I would like to thank each one of you for helping us reach these milestones. I assure you once again that we are dedicated and focussed on value creation for all our stakeholders, and we seek your continuous goodwill and support. We are on the threshold of a transformation journey, wherein technology will play a key role; with every new challenge there will be new opportunities and we shall seize these opportunities with utmost sincerity and passion. I am certain that the future is bright!

Yours sincerely,

Mani Mamallan
Chairman and Managing Director
Mumbai

LIST OF LENDERS

I) Banks:

- 1) Kotak Mahindra Bank Ltd.
Powai Branch, G 6/7 Citi Park | Central Avenue Road, Hiranandani Gardens, Powai, Mumbai - 400 076
- 2) Bank of India
Nariman Point Large Corporate Branch, 92-93, Free Press House, 9th floor, Free Press Journal, 215, Nariman Point, Mumbai - 400 021
- 3) Indusind Bank Ltd
11th Floor, Tower 1, OneIndiaBulls Centre, 841, Sentapati Bapat Marg, Elphinstone Road West, Mumbai - 400 013
- 4) HDFC Bank
Prudential Bldg. Gr. Fl. Hiranandani Business Park Powai, Mumbai - 400 076.
- 5) AXIS Bank
Goregaon Link Rd. Mumbai - 400 064
- 6) Indian Overseas Bank
Powai Branch, Powai Mumbai - 400 076

II) From Other Parties:

- 1) Tata Capital Financial Services Private Limited
Tower A 11th Floor, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.
- 2) Hero Fincorp Ltd
Vatika Business Centre, 7th Floor, Wing-B, Supreme Business Park, Behind Lake Castle Building, Hiranandani Gardens, Powai, Mumbai - 400076
- 3) Rent Alpha Private Limited
1011, 11 Floor, Peninsula Park, Off Andheri Link Road, Near Yash Raj Studios, Andheri (W), Mumbai.
- 4) RentAsset Initiatives Private Limited
205-B, Floral Desk Plaza, Road No 23, Off SEEPZ, MIDC, Andheri (East), Mumbai - 400 093.
- 5) Siemens Financial Services Private Limited
130, Pandurang Budhkar Marg, Worli, Mumbai - 400 018.
- 6) Capsave Finance Private Limited
Unit No. 501,Wing D, Lotus Corporate Park, Western Exp. Highway, Goregaon (East),Mumbai - 400 063.



GOVERNANCE REPORT

Introduction

Corporate Governance, as per benchmark practice, is an ethically driven business process that is committed to the values aimed at enhancing an organisation's wealth generating capacity. Thus, it forms one of the significant pillars of any efficient and growing organisation. At EPS, we consider "Being a differentiator in providing services" as a part of our vision. Thus for us, Good Governance is an important pillar along with our principal business operations.

The Company's philosophy on corporate governance is founded upon a rich legacy of fair, ethical and transparent governance practices. It oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large. The framework we follow for compliance is compatible with the Domestic Standards and best industry practices. For the same, we ensure to make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

EPS Control Environment is governed by a 3 layered defence mechanism. All the departments and processes are governed by the policies & processes laid down under the Governance Framework.

1. Statutory Compliances: All applicable statutory compliances in our areas of operations are managed and overseen through EPSafe – an automated tool for compliance management.
2. Assurance – ICFR & Operational controls: SOPs and control library is reviewed & revised on a periodic basis to keep the processes aligned & optimize governance & assurance.
3. Internal Audit – Overall performance is reviewed through Internal Audits. Audit observations are closed with risk mitigation and process improvements.

EPS holds the ISO 27001-2013 – Information Security, ISO 9001:2015 – Quality Management Systems and PCI DSS - The Payment Card Industry Data Security Standard certifications.

Our structure, policies, processes and systems are based on these standards. This gives immense confidence and comfort to our customers and partners and positions us ahead of our competitors.

In order to keep our certifications intact, we ensure the renewals & surveillance are performed as required by the standard.

For the Financial Year 2017 – 2018, we have complied with all the relevant provisions of the legislations covered above & as applicable from time to time. All the teams within the organisations, 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 is a part of Corporate Governance such as:

1. Compensation Sub Committee
2. Audit and Risk Committee
3. Business and Operations Committee
4. Finance Sub Committee

All legal documentation is prepared, entered and executed by the Company, post meticulous legal review, to safeguard Company's legal interests.

All spheres that are susceptible to risk within EPS have been insured by adopting insurance policies periodically. EPS is well protected through insurance policies encompassing various aspects for instance, Business Assets deployed and in Warehouse, staff and operating environment property, Cash in ATM, Fidelity risk, Cyber risks, Group Medclaim term life, Term Life Insurance, professional indemnity, Directors & Office liability and Keyman insurance policy.

At EPS, we aim to accomplish the stature of an organisation that people can put their trust into. We, thus, continue to strive towards achieving the endeavour of thorough and state-of-the-art Corporate Governance.

STANDALONE DIRECTORS' REPORT

To,

The Members of,

M/S. ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Standalone Accounts for the year ended 31st March 2018.

FINANCIAL RESULTS:

Particulars	Year Ended on 31st March 2018 (Standalone)	Year Ended on 31st March 2017 (Standalone)
Income	2,30,83,72,048	1,90,63,20,332
Expenditure	2,08,75,71,730	1,68,49,14,776
Profit / (Loss) before Depreciation	22,08,00,318	22,14,05,556
Less: Depreciation	48,34,22,290	40,18,13,675
Loss before Prior Period Items & Taxes	(26,26,21,972)	(18,04,08,119)
Profit / Loss Exception / Prior Period Items	-	9,21,949
Less: Provisions for Taxation	-	-
Less: Provision for Deferred Tax Liability	-	-
Profit & Loss from Discontinuing Operations	-	-
Profit / (Loss) After Tax	(26,26,21,972)	(17,94,86,170)

REVIEW OF THE BUSINESS OPERATIONS:

During the Year Company recorded a total income of INR. 2,308,372,048/- as compared to INR. 1,906,320,332/- in the previous financial year. The Company has incurred a net Loss of INR. 262,621,972/- during the year as compared to Loss amounting to INR 179,486,170/- during previous financial year.

DIVIDEND:

In a view of the accumulated loss, the Board does not recommend any dividend during the years under review.

DISCLOSURE ON CHANGE IN THE NATURE OF BUSINESS

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

GENERAL REVIEW

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



CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives prescribed by the Companies Act, 2013 ("Act"), as the provisions of Section 135 of the Act, pursuant to Corporate Social Responsibility are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company pursuant to the requirements of Section 134(3)(c) 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 have 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 March 31st, 2018 and of the profit of the Company for the year ended on that date;
- 3) That the Director 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 Director had prepared annual accounts on a going concern basis.
- 5) They have 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 pursuant to the provision of Section 186 of the Companies Act. Further, the Company has made an investment by way of acquisition of shares in an Australia based Company named as Electronic Payment Australia Pty. Ltd. Details of the said investment are covered under the Note No. 13 to the Financial Statement of the Company.

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

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 Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the "Annexure A" enclosed.

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, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

NOTING OF THE AMALGAMATION ORDER PASSED BY THE NATIONAL COMPANY LAW TRIBUNAL

The Company had filed the scheme of amalgamation between the Company and its wholly-owned subsidiary Company M/s EPS ATM Services Private Limited on 27th February 2017 with the National Company Law Tribunal ("NCLT") as per the provisions of Section 230 to 232 of the Companies Act, 2013. The said scheme of amalgamation was approved, and the final order was passed by the NCLT on 30th November 2017.

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 the Company availed consultancy services from M/s. Electronic Payment Australia Pty. Ltd.- wholly-owned subsidiary of the Company. As per the Exemption Notification dated 5th June 2015 issued by Ministry of Corporate Affairs, for all the private companies, definition of Related Party does not include Holding, Subsidiary, Associate Company and sister concern (subsidiary of holding), thus transactions entered with them does not require compliance of section 188 of the Companies Act, 2013. Further, there are no material related party transactions during the year under review with the Directors or Key Managerial Personnel of the Company. In light of this, the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted, thus a 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.30 to the Financial Statements.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure B "MGT-9".

DETAILS OF SUBSIDIARY COMPANY

As on March 31, 2018, the Company has a Wholly Owned Subsidiary i.e. Electronic Payment Australia Pty. Ltd. Details of the said subsidiary are given in the Annexure C "AOC-1".

SHARE CAPITAL

Brief details of the Share Capital are given under the Note No. 3 to the Financial Statement of the Company. The Authorized Capital of the Company was increased from INR 70,000,000/- (Rupees Seven Crores Only) to INR 70,100,000/- (Rupees Seven Crores One Lakh Only) consequent to addition of 10,000 Equity Shares of INR. 10/- each, of M/s. EPS ATM Services Private Limited on its amalgamation with 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.

There was no qualification, reservation or adverse remark 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.

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.



DIRECTORS

During the period under review, Mr. Noshir Colah resigned from the post of Nominee Director due to pre- occupation w.e.f. 19th September 2017. Pursuant to which Mr. Vineet Chandra Rai resigned w.e.f. 19th September 2017 and was reappointed as a Nominee Director in place of Mr. Noshir Colah w.e.f. 20th September 2017. Further to which, Ms. Sushma Kaushik was appointed as the Nominee Directors of the Company w.e.f. 20th September 2017. Also, Mr. Farroukh Kolah was appointed a Chief Financial Officer of the Company on 20th September 2017.

Further, the Company also had appointed Mr. Abhay Prasad Hota as an Independent Director of the Company w.e.f. 8th December 2017 and due to his pre-occupations, he resigned from his post w.e.f. 21st February 2018.

MAINTENANCE OF COST RECORDS

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

PARTICULARS OF EMPLOYEES:

The Company has appointed employee in receipt of remuneration aggregating to Rs. 1.2 Crores Per Annum or more following are the disclosures in this regard:

Sr. No	Particulars	Details
1	Name	Mr. Mani Mamallan
2	Designation	Chairman & Managing Director
3	Joining Date	06/08/2012
4	CTC Per Annum	INR 1.25 Crores
5	Qualification	B.Sc.
6	DOB	27/03/1961
7	% of Equity Shares	NIL
8	Relatives of any Director or Manager	N.A

Sr. No	Particulars	Details
1	Name	Mr. Harish Prabhu*
2	Designation	Chief Operating Officer
3	Joining Date	20/11/2016
4	Resignation Date	30/06/2017
5	CTC Per Annum	INR 1.5 Crores
6	Qualification	Professional
7	DOB	03/06/1965
8	% of Equity Shares	NIL
9	Relatives of any Director or Manager	N.A

DECLARATION OF INDEPENDENT DIRECTORS

During the financial year 2017-18, the Company appointed Mr. Abhay Prasad Hota as an Independent Director. Accordingly, Mr. Abhay Prasad Hota submitted the declaration confirming the compliance of the conditions of the independence stipulated in the Section 149 of the Companies Act, 2013.

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. The Company had appointed an Independent Director to comply with the Shareholders' Agreement signed by the Company and its Shareholders

BOARD MEETING

During the financial year 2017-18, the Board met Twelve times (12) on 23/05/2017, 11/07/2017, 29/08/2017, 04/09/2017, 20/09/2017, 16/11/2017, 15/12/2017, 27/12/2017, 16/01/2018, 12/02/2018, 09/03/2018 and 22/03/2018.

SEXUAL HARRASSMENT POLICY

The Company has devised a sound 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.

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 of director as Loan during the period under review.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Company has established a vigil mechanism pursuant to Section 177(9) and oversees it through Mr. Mani Mamallan, Managing Director since audit committee is not applicable to the Company. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards to the extent they are consistent with the Articles of Association of the Company.

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: - Nil
- b) Options Vested: - 16,650+650
- c) Options Exercised: - Nil
- d) The Total Number of Shares arising as a result of Exercise of Option: - Nil
- e) Options Lapsed: -Nil
- f) The exercise Price: - Rs 10/- per share
- g) Variation of terms of Options: - Nil
- h) Money realized by exercise of Options: - Nil
- i) Total Number of options in force- 800
- j) Employee wise details of options granted to; -
 - i) Key managerial Personnel
 - 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.
 - 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.



RISK MANAGEMENT POLICY

The Company has developed and implemented a Risk Management Policy. This policy defines Risk Management framework through Risk Management Structure, Risk Management Program, Risk Categories & Mitigation Measures.

DEPOSIT

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

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation to the Banks & the company's valued investors for their continued co-operation & support. Your Company also take this opportunity to acknowledge the dedicated efforts made by staff and officers at all level for their contribution to the company.

**For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited**

**PLACE- MUMBAI
DATE- 27th July 2018**

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

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

ANNEXURE "A" to Directors' Report for the Financial Year Ended on 31st March 2018

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

a) CONSERVAATION OF ENERGY -

- i) The steps taken of 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 equipments:- 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 2017-18) (Amount Rupees)	Previous Year (FY 2016-17) (Amount Rupees)
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
Total earning in Foreign exchange	NIL	NIL



Details of Foreign Expenditure

Particulars	Current Year (FY 2017-18) (Amount Rupees)	Previous Year (FY 2016-17) (Amount Rupees)
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/ Foreign Travel	6,10,752	38,53,571
Dividend Paid	NIL	NIL
Total Expenditure in Foreign exchange	NIL	NIL

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520



Annexure "B"

Extract of Annual Return as on financial year ended 31.03.2018
[Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 and rule 7.10(1)]

I. REGISTRATION AND OTHER DETAILS:

1	CIN Number of the Company:	U72300MH2011PTC222535
2	Registration Date:	29th September, 2011
3	Name of the Company:	ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
4	Category / Sub-category of the Company:	Private Company Limited by Shares
5	Address of Registered office and contact details:	Unit No. 302-303, 3rd Floor, A-Wing, Supreme Business IT Park, Hiranandani Gardens, Powai, Mumbai, Maharashtra - 400 076. Phone: +91 22 4022 2900 Fax+91 22 4022 2910 Email id: mani@electronicpay.in
6	Whether listed company:	Yes / No
7	Name, Address and contact details of Registrar and Transfer Agent:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY:

All the business activities contributing to 10% or more of the total turnover of the Company shall be stated:-

Sr. No	Name and Description of main products / services	NIC Code of the product/ service	Percentage to total turnover of the company
1	Repair and maintenance of automated terminals like automatic teller machines, point-of-sale (POS) terminals, not mechanically operated	95112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	Percentage of shares held	Applicable Section
1	Electronic Payment Australia Pty. Ltd. Add: Suite 102, 33 Lexington Drive, "Norwest Business Park", Bella Vista NSW 2153	-	Wholly-Owned Subsidiary	100%	2(87)



IV. SHARE HOLDING PATTERN

i. CATEGORY WISE SHAREHOLDING: EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	0	131250	131250	18.76	0	131250	131250	18.76	131250
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-									
2) Foreign	0	0	0	0	0	0	0	0	0
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....									
Sub-total(A)(2):-									
	0	131250	131250	18.76	0	131250	131250	18.76	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(I)									
	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	0	8992	8992	1.28	0	8992	8992	1.28	0
(ii) Overseas	0	559546	559546	79.96	0	559546	559546	79.96	0
b) Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									

IV. SHARE HOLDING PATTERN**i. CATEGORY WISE SHAREHOLDING: EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	0	568538	568538	81.24	0	568538	568538	81.24	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	699788	699788	100	0	699788	699788	100	-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	699788	699788	100	0	699788	699788	100	-



V. SHARE HOLDING PATTERN

ii. CATEGORY WISE SHAREHOLDING: COMPULSORY CONVERTIBLE PREFERENCE SHARES BREAKUP AS PERCENTAGE OF TOTAL PREFERENCE CAPITAL

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other		0			0	0			0
Sub-total(A)(1):-	0	0	0	0	0	0	0	0	0
2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI									
e) Any Other....									
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(I)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
d) Bodies Corp.									
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	2559160	0	0	0	2559160	0	0	0
	0	Series B 58635 +	2559160	100	0	Series B 58635 +	2559160	100	
		Series C 2500525				Series C 2500525			

V. SHARE HOLDING PATTERN

ii. CATEGORY WISE SHAREHOLDING: COMPULSORY CONVERTIBLE PREFERENCE SHARES BREAKUP AS PERCENTAGE OF TOTAL PREFERENCE CAPITAL

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
f) Others(Specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	0	2559160	2559160	100	0	2559160	2559160	100	0
		Series B				Series B			
		58635 +				58635 +			
		Series C				Series C			
		2500525				2500525			
Total Public Shareholding	0	2559160	0	0	0	2559160	0	0	0
(B)=(I)+ (B)(2)		Series B				Series B			
		58635 +				58635 +			
		Series C				Series C			
		2500525				2500525			
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	2559160	0	0	0	2559160	0	0	0
		Series B				Series B			
		58635 +				58635 +			
		Series C				Series C			
		2500525				2500525			



iii. SHAREHOLDING OF PROMOTERS:

Sr. No.	Name of the shareholder	As on 01.04.2017			As on 31.03.2018			% change in shareholding during the year
		Number of shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	Number of shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Vidya Rani Mani Mamallan	90000	12.87	0	90000	12.87	0	0
2.	Sanjay Kapoor	26250	3.75	0	26250	3.75	0	0
3.	Dr. Gurusamy	15000	2.14	0	15000	2.14	0	0
	TOTAL	131250	18.76	NIL	131250	18.76	NIL	0

iv. CHANGE IN PROMOTERS' SHAREHOLDING:

There is no change in the shareholding of promoters during the Financial Year 2017-18.

v. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):- GIVEN IN THE ANNEXURE-1

vi. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of the Shareholder	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company		
1.	Mani Mamallan	At the beginning of the year	0	0	0	0
		At the end of the year	0	0	0	0
2.	Sanjay Kapoor	At the beginning of the year	26250	3.75	26250	3.75
		At the end of the year	26250	3.75	26250	3.75
3.	Vineet Rai	At the beginning of the year	0	0	0	0
		At the end of the year	0	0	0	0
4.	Noshir Colah	At the beginning of the year	0	0	N.A - Resigned before the year end	
		At the end of the year	0	0		
5.	Udayan Goyal	At the beginning of the year	0	0	0	0
		At the end of the year	0	0	0	0
6.	Sushma Kaushik	At the beginning of the year	0	0	0	0
		At the end of the year	0	0	0	0
7.	Abhay Prasad Hota	At the beginning of the year	0	0	N.A - Resigned before the year end	
		At the end of the year	0	0		
8.	Farroukh Kolah	At the beginning of the year	0	0	0	0
		At the end of the year	0	0	0	0
9.	Pooja Panvelkar	At the beginning of the year	0	0	0	0
		At the end of the year	0	0	0	0

vii. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amounts in Rupees)

Name of the shareholder	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	63,96,72,875	0	0	63,96,72,875
i)Principal Amount				
ii)Interest due but not paid	0	0	0	0
iii)Interest accrued but not Due				
Total(i+ii+iii)				
Change in Indebtedness during the financial year				
· Addition	6,42,71,479	0	0	6,42,71,479
· Reduction				
Net Change	6,42,71,479	0	0	6,42,71,479
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	70,39,44,354	0	0	70,39,44,354
iii) Interest accrued but not due				
Total(i+ii+iii)	70,39,44,354	0	0	70,39,44,354

viii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

Sr. No.	Name of the shareholder	Name of MD/ WTD/ Manager	Total Amount (Rs)
		Mani Mamallan	
1.	Gross salary		
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	10,256,600	10,256,600
	(b)Value of perquisites u/s 17(2) Income-tax Act,1961	1,310,400	1,310,400
	(c)Profits in lieu of salary undersection17(3) Income- tax Act,1961.	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission	0	0
	- as% of profit		
	- others, specify...		
5.	Others, please specify		
	Fuel Allowance	120,000	120,000
	Medical Allowance	15,000	15,000
	LTA	252,000	252,000
	Mobile Allowance	30,000	30,000
	Provident Fund (Company's contribution)	504,000	504,000
	National Pension Scheme	12,000	12,000
6.	Total	12,500,000	12,500,000
7.	Ceiling as per the Act	-	-

**B. REMUNERATION TO OTHER DIRECTORS:**

Particulars of Remuneration	Name of Directors	Total Amount (Rs)
	Abhay Prasad Hota	
Independent Directors		
· Fee for attending board	1,00,000	1,00,000
- Fees of attending committee meetings	75,000 (for two sub-committees)	1,50,000
· Commission		
· Others please specify	2,50,000	2,50,000
Total(1)		
Other Non-Executive Directors		
· Fee for attending board committee meetings		
· Commission		
· Others, please specify		
Total(2)		
Total(B)=(1+2)		
Total Managerial Remuneration		
Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Name of the shareholder	CEO	Company Secretary	CFO	Total
1.	Gross salary	-			
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961		554,280	2,928,360	34,82,640
	(b)Value of perquisites u/s 17(2) Income-tax Act,1961		0	36,000	0
	(c)Profits in lieu of salary u/s 17(3) Income-tax Act,1961		0	0	0
2.	Stock Option		0	0	0
3.	Sweat Equity		0	0	0
4.	Commission		0	0	0
	- as % of profit-others, specify...				
5.	Others please specify				
	Medical Allowances		15,000	15,000	30,000
	LTA		14,244	84,480	98,724
	Provident Fund (Company's contribution)		28,476	168,960	1,97,436
	National Pension Scheme		6,000	140,800	1,46,800
	Sodexo		0	26,400	26,400
	Fuel Allowance		0	120,000	1,20,000
	Total		6,18,000	4,400,000	5,018,000

vii. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES- NIL

viii. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520



Shareholding Pattern on Non-Diluted Basis as on 31st March 2018

ANNEXURE 1 (NON-DILUTED SHAREHOLDING)

Shareholder name	Equity	Series B CCPS (conversion 1:1)	Series C CCPS (58.3755 Series C=1 Equity share)
Aavishkaar India II Company Ltd	168,635	-	-
Aavishkaar Goodwell India Microfinance Development Company II Ltd	105,038	-	-
Aavishkaar Venture Management Services P Ltd	1,097	-	-
Asia Participations B.V. (FMO)	65,425	58,635	2,500,525
CIS Bureaus Facility Services Pvt Ltd	7895	-	-
Smt. Vidya Rani Mani Mamallan	90,000	-	-
Mr. Sanjay Kapoor	26,250	-	-
Dr. Ramakrishnan Gurusamy	15,000	-	-
Apis Growth 3 Ltd	220,448	-	-
Total	699,788	58,635	2,500,525

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520

Annexure "C"**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Electronic Payment Australia Pty. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st July 2017- 30th June 2018
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year.	Australian Dollars Exchange Rate as on 31st March 2018:- 50.91 INR
4.	Share capital	5091/- (100 Equity Shares of 1 AUD each)
5.	Reserves & surplus	-11,248,235/-
6.	Total assets	2,285,057/-
7.	Total Liabilities	13,533,291/-
8.	Investments	0
9.	Turnover	3,817,486/-
10.	Profit before taxation	-11,248,235/-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations-NIL
- Names of subsidiaries which have been liquidated or sold during the year-NIL

**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NA

Name of associates/Joint Ventures	NA	NA	NA
Name of associates/Joint Ventures			
Latest audited Balance Sheet Date			
Shares of Associate/Joint Ventures held by the company on the year end			
Number of shares			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
Description of how there is significant influence			
Reason why the associate/joint venture is not consolidated			
Net worth attributable to shareholding as per latest audited Balance Sheet			
Profit/Loss for the year			
Considered in Consolidation			
Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit/loss and its cash flows for the year ended on that date.



Emphasis of Matter

We draw attention to Note 38 (ii) (a) to the financial statements which describes the accounting for the capital reduction which as per the legal view obtained by the Company, forms an integral part of the Scheme of Amalgamation approved by the National Company Law Tribunal.

Our opinion is not modified in respect of this matter.

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 so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 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 standalone financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("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 AND SELLS LLP Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Anjum A. Qazi) Partner
(Membership No. 104968) Place: Mumbai
Date: 27th July 2018

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)

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, 2018 in conjunction with our audit of the standalone 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 (the “Guidance Note”) 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 March 31, 2018, 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 AND SELLS LLP Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Anjum A. Qazi)
Partner
(Membership No. 104968)
Place: Mumbai
Date: 27th July 2018

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

i. In respect of the Company’s fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program of verification of fixed assets 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 fixed assets were physically verified by the Management during the year.

According to the information and explanation given to us, the discrepancies noted on such verification have been appropriately dealt with by the Management.

- c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.

ii. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loan, made investments or provided guarantees and securities hence reporting under clause (iv) of the Order is not applicable

v. Having regard to the nature of the Company’s business / activities, reporting under clause (v) of the Order is not applicable.

vi. Having regard to the nature of the Company’s business / activities, reporting under clause (vi) of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Service Tax, Cess, Value Added Tax and other material statutory dues applicable to it to the appropriate authorities. We have been informed that statutory dues with respect to Customs Duty, Excise Duty, Employees’ State Insurance, is not applicable to the Company.
- b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Wealth Tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.
- c) Details of dues of Service Tax / Other taxes which have not been deposited as on 31st March, 2018 on account of disputes are given below:



Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.in Lakhs)	Amount Unpaid
Finance Act, 1994 and Service Tax Laws	Service Tax	Commissioner of Service Tax	FY 2013-14	31,582,240	28,536,936
Pune Municipal Corporation LBT	Local Body Tax	Joint Municipal Commissioner	FY 2013-14	141,746*	141,746*

There are no dues in respect of Income-tax, Sales tax, Customs Duty, Excise Duty and Value Added tax which have not been deposited as on 31st March, 2018.

*amount is exclusive of the interest component

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions or banks. The company has not taken any loans or borrowings from government or has not issued any debentures during the year.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, 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.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS AND SELLS LLP Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Anjum A. Qazi)
Partner
(Membership No. 104968)
Place: Mumbai
Date: 27th July 2018

FINANCIAL STATEMENT FY 2017-2018

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

Balance Sheet as at 31st March, 2018

Amount in INR

Particulars	Note No	As at 31st March, 2018	As at 31st March, 2017
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	32,589,480	32,589,480
Reserves and Surplus	4	1,577,500,069	2,109,628,603
		1,610,089,549	2,142,218,083
Non-Current Liabilities			
Long-term Borrowings	5	654,049,523	639,672,875
Other Long-term Liabilities	6	2,980,165	10,737,846
Long-term Provisions	7	109,555,052	82,836,176
		766,584,740	733,246,897
Current Liabilities			
Trade Payables			
(a) Total Outstanding dues of Micro Enterprises & Small Enterprises	8	15,118,905	18,226,818
(b) Total Outstanding dues of creditors other than Micro Enterprises & Small Enterprises		550,588,779	310,903,165
Other Current Liabilities	9	687,858,287	614,029,383
Short-term Provisions	10	13,667,651	5,239,791
Short-term Borrowings	11	49,894,831	-
		1,317,128,453	948,399,157
Total		3,693,802,742	3,823,864,137
II. ASSETS			
Non-Current Assets			
Property, Plant & Equipment			
Tangible Assets	12	1,761,065,988	1,534,970,259
Intangible Assets	12	34,144,121	48,903,417
Capital Work-in-progress		59,423,643	20,614,180
		1,854,633,752	1,604,487,856
Non-Current Investments	13	4,940	291,088,153
Long term Loans and Advances	14	257,519,902	133,333,332
Other Non-Current Assets	15	331,286,898	277,920,733
		588,811,740	702,342,218
Current Assets			
Current Investments	16	143,600,000	749,599,719
Trade Receivables	17	508,531,756	343,098,170
Cash and Cash Equivalents	18	167,477,036	125,538,263
Short-term Loans and Advances	19	168,331,941	105,410,291
Other Current Assets	20	262,416,517	193,387,620
		1,250,357,250	1,517,034,063
Total		3,693,802,742	3,823,864,137



Notes 1 to 40 forms part of the Financial Statements

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

Anjum A Qazi
Partner

Date: 27th July 2018
Place : Mumbai

For and on behalf of the Board of Directors

Mr. Sanjay Kapoor
Director

DIN: 03584520
Date : 27th July 2018
Place : Mumbai

Mr. Mani Mamallan

Chairman & Managing Director

DIN: 03584512
Date : 27th July 2018
Place : Mumbai

Pooja Panvelkar

Company Secretary

Date : 27th July 2018
Place : Mumbai

Farroukh Kolah

Chief Financial Officer

Date : 27th July 2018
Place : Mumbai

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
CIN: U72300MH2011PTC222535
Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note No	As at 31st March, 2018	As at 31st March, 2017
Revenue from Continuing Operations:			
Revenue from operations (Net of GST & Service tax)	21	2,194,291,420	1,813,103,920
Other Income	22	114,080,628	93,216,412
Total Revenue		2,308,372,048	1,906,320,332
Expenses:			
Employee benefits expense	23	210,003,464	189,860,353
Finance costs	24	143,563,018	194,008,505
Depreciation and amortisation expense	12	483,422,290	401,813,675
Operating Expenses	25	1,485,676,516	1,108,504,030
Other General expenses	26	248,328,732	192,541,888
Total Expenses		2,570,994,020	2,086,728,451
Loss before Prior Period Items & Taxes		(262,621,972)	(180,408,119)
Prior Period Item		-	921,949
Loss Before Tax		(262,621,972)	(179,486,170)
Tax expense:			
Current Tax		-	-
Deferred Tax		-	-
Loss for the year		(262,621,972)	(179,486,170)
Loss per share (Face Value INR 10/- each)			
Basic and Diluted (INR)	32	(375)	(315)

Notes 1 to 40 forms part of the Financial Statements

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

Anjum A Qazi
Partner

Date: 27th July 2018
Place : Mumbai

For and on behalf of the Board of Directors

Mr. Sanjay Kapoor
Director

DIN: 03584520
Date : 27th July 2018
Place : Mumbai

Mr. Mani Mamallan

Chairman & Managing Director

DIN: 03584512
Date : 27th July 2018
Place : Mumbai

Pooja Panvelkar

Company Secretary
Date : 27th July 2018
Place : Mumbai

Farroukh Kolah

Chief Financial Officer
Date : 27th July 2018
Place : Mumbai



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
CIN: U72300MH2011PTC222535
Cash Flow statement for the year ended 31st March 2018

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
A. Cash Flow from Operating Activities		
Loss Before Tax as per Statement of Profit & Loss	(262,621,972)	(179,486,170)
Adjustments for :		
Depreciation & Amortisation Expenses	483,422,290	401,813,675
Expense on employee stock options (ESOP) scheme	2,568,888	2,967,864
Expense on Gratuity	3,019,362	3,125,252
Finance Costs	143,563,018	194,008,505
Interest Income	(19,445,841)	(37,449,338)
Interest on Income Tax Refund	(5,215,955)	-
Net gain on sale of current investments	(75,033,075)	(41,348,197)
Provision for doubtful trade receivables	9,695,667	-
Bad Debts and allowances for doubtful balances	9,217,937	5,117,275
Insurance claim written off	8,562,865	5,833,817
Loss on Theft/Write off of Property, Plant & Equipment	22,717,317	7,640,508
Provision for Contingencies	24,098,839	41,402,318
Deferred profit on sale of Property Plant & Equipment	(14,352,240)	(14,352,240)
Operating profit before working capital changes	330,197,100	389,273,269
Changes in Working Capital		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Trade receivables	(37,965,888)	(82,177,062)
Short-term loans and advances	(62,408,554)	(61,139,831)
Long-term loans and advances	(34,403,127)	(7,222,126)
Other current assets	(335,884,205)	(4,891,218)
Cash-in-ATM	(19,520,400)	-
<u>Adjustments for increase/(decrease) in operating liabilities:</u>		
Trade payables	236,127,701	107,887,227
Other current liabilities	17,218,640	(208,520,691)
Short-term provisions	8,427,860	4,660,544
Long-term provisions	(399,325)	-
Cash Generated from Operations	101,389,802	137,870,112
Tax and interest on tax paid / refund received	12,693,018	(28,837,861)
Net Cash flow from Operating Activities (A)	114,082,820	109,032,251
B. Cash Flow from Investing Activities		
Capital expenditure on Property Plant & Equipment, including capital advances	(759,983,559)	(547,783,422)
Interest Income received	19,445,841	31,461,396
Investments in Mutual Fund	(392,600,000)	(1,834,593,469)
Proceeds from sale of current investments	1,073,632,794	1,608,342,124
Purchase of long-term investments in subsidiary	(4,940)	-
Fixed Deposits Matured / Placed	(72,775,869)	1,013,060,874
Net Cash Flow (used in) Investing Activities (B)	(132,285,733)	270,487,503

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
CIN: U72300MH2011PTC222535
Cash Flow statement for the year ended 31st March 2018

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
C. Cash Flow from Financing Activities		
Proceeds from short-term borrowings	49,894,831	-
Proceeds from long-term borrowings	540,654,375	343,085,984
Repayment of long-term borrowings	(451,289,935)	(487,080,394)
Finance Costs	(143,563,018)	(194,008,505)
Cash Flow from Financing Activities (C)	(4,303,747)	(338,002,915)
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(22,506,660)	41,516,839
Add: Cash & Cash Equivalent at the beginning of the year	103,407,538	61,890,699
Add: Pursuant to Scheme of Amalgamation (refer Note 39)	25,515,329	-
Cash & Cash Equivalent at the end of the year	106,416,207	103,407,538

Notes to Cash Flow Statement:

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

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash and Cash equivalents comprises of		
Cash on hand	105,757	47,057
Balance with Banks	106,310,450	103,360,481
Cash and Cash equivalents as per Note 18	106,416,207	103,407,538

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.

3) (a) An amount of INR 25,515,329 relates to cash and cash equivalents balances with EPS ATM Services Private Limited consequent to Scheme of Amalgamation.

(b) The Scheme of Amalgamation does not involve any cash outflow (Refer Note 39).

For Deloitte Haskins & Sells LLP
Chartered Accountants

Anjum A Qazi
Partner

Date: 27th July 2018
Place : Mumbai

For and on behalf of the Board of Directors

Mr. Sanjay Kapoor

Director
DIN: 03584520
Date : 27th July 2018
Place : Mumbai

Mr. Mani Mamallan

Chairman & Managing Director
DIN: 03584512
Date : 27th July 2018
Place : Mumbai

Pooja Panvelkar

Company Secretary
Date : 27th July 2018
Place : Mumbai

Farroukh Kolah

Chief Financial Officer
Date : 27th July 2018
Place : Mumbai



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 'Company') is an ATM operations company founded to provide ATM operations services to Banks. Further, EPS provide 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 from 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, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") read with Companies (Accounting Standard) Rules, 2006.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed 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 the 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 & Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 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 & Equipment	Useful Life
Site Assets:	
Automated Teller Machine:	
Owned	7 Years
Taken on finance lease	5 Years
Uninterrupted Power Supply Machine:	
Owned	7 Years
Taken on finance lease	5 Years
Site Interior & Other Merchandises:	
Owned	7 Years
Taken on finance lease	5 Years
Air Conditioner:	
Owned	7 Years
Taken on finance lease	5 Years
VSAT:	
Owned	7 Years
Taken on finance lease	5 Years
E-Surveillance	7 Years
Digital Video Recorder (DVR)	7 Years
Taken over ATMs and related assets like site interiors, VSAT, AC, UPS	5 Years
Office furniture and fixtures	3 Years
Office equipment	3 Years

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

Description of Assets	Useful Life
Computers	3 Years

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

Description of Assets	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 service contracts, are recognised when services are rendered; and there is reasonable certainty of ultimate realisation for the same.

Revenues until the Balance Sheet date for ATM 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 & 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 & the Company's right to receive payment is established.

h) Property, Plant & Equipment

Property, Plant & Equipment including intangible assets are stated at cost of acquisition less accumulated depreciation, amortisation and impairment, if any. The cost of Property, Plant & 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.

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.

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 at 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 Companies Act 2013.

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, 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, gratuity and compensated absences.

Defined-contribution plans

The Company's contribution to provident fund is considered as 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 fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. 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. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

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 and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of short-term non-accumulating compensated absences is accounted, when the absences occur.

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 potential equity shares.

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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

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 / Service tax input credit

GST / Service tax input credit 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").

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.

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.

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

Notes forming part of Financial Statements

Note 3 : Share Capital

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares	INR	Number of shares	INR
(a) Authorised				
Equity Shares of INR 10/- each	1,310,000	13,100,000	1,300,000	13,000,000
Compulsory Convertible Preference Shares of INR 10/- each	5,700,000	57,000,000	5,700,000	57,000,000
	7,010,000	7,010,000	7,010,000	7,010,000
(b) Issued, Subscribed and fully paid-up				
Equity Shares of INR 10/- each	699,788	6,997,880	699,788	6,997,880
Compulsory Convertible Preference Shares ('CCPS') of INR 10/- each	2,559,160	25,591,600	2,559,160	25,591,600
	3,258,948	32,589,480	3,258,948	32,589,480
Total	3,258,948	32,589,480	3,258,948	32,589,480

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

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares	INR	Number of shares	INR
i. Equity shares				
Outstanding at the beginning of the year	699,788	6,997,880	567,875	5,678,750
Add: CCPS converted to equity during the year	-	-	131,913	1,319,130
Closing Balance	699,788	6,997,880	699,788	6,997,880
ii. Compulsorily convertible preference shares				
Series B CCPS:				
Outstanding at the beginning of the year	58,635	586,350	147,737	1,477,370
Add: Issued during the year	-	-	-	-
Less: Conversion to Equity during the year	-	-	(89,102)	(891,020)
Closing Balance	58,635	586,350	58,635	586,350
Series C CCPS:				
Outstanding at the beginning of the year	2,500,525	25,005,250	5,000,000	50,000,000
Add: Issued during the year	-	-	-	-
Less: Conversion to Equity during the year	-	-	(2,499,475)	(24,994,750)
Closing Balance	2,500,525	25,005,250	2,500,525	25,005,250
Total	2,559,160	25,591,600	2,559,160	25,591,600



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, 2018		As at 31st March, 2017	
	No. of Shares Held	% Share holding	No. of Shares Held	% Share holding
i) Equity shares				
Vidya Rani Mani Mamallan	90,000	12.86%	90,000	12.86%
Aavishkaar India II Company Limited	168,635	24.10%	168,635	24.10%
Aavishkaar Goodwell India Microfinance Development Company II Limited	105,038	15.01%	105,038	15.01%
APIS Growth III Limited	220,448	31.50%	220,448	31.50%
Asia Participations B.V.	65,425	9.35%	65,425	9.35%
ii) Series B CCPS				
Asia Participations B.V.	58,635	100.00%	58,635	100.00%
iii) Series C CCPS				
Asia Participations B.V.	2,500,525	100.00%	2,500,525	100.00%

Note 3(c): Terms / right 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 the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 3(d): Terms of Conversion / redemption of CCPS

Series B CCPS:

During the year ended 31 March 2014, the Company issued 147,737 Series B CCPS at INR 10 each fully paid-up at a premium aggregating INR 391,503,069/-. The Series B CCPS shall be compulsorily converted into an equal number of Equity Shares on a 1:1 ratio Conversion of the Series B CCPS into Equity Share shall happen upon the occurrence of the earlier of any of the following events:

- At the time of the Company filing a draft red herring prospectus with SEBI in connection with the listing of the Equity Shares on a Recognized Stock Exchange
- Upon the expiry of 8 (Eight) years from the Completion Date as per Clause 8 of the Share Subscription Agreement.
- At the option of the holder, at any time prior to the timelines specified above.

During the year ended 31 March 2017, 89102 Series B CCPS were converted to 89102 Equity Shares

Series C CCPS:

During the year ended 31 March 2016, the Company issued 5,000,000 Series C CCPS at INR 10 each fully paid-up at a premium aggregating INR 250,000,000/-. The Series C CCPS shall be compulsorily converted into one Equity Share for every 58.3833 Series C CCPS.

Conversion of the Series C CCPS into Equity Share shall happen upon the occurrence of the earlier of any of the following events:

- At the time of the Company filing a draft red herring prospectus with SEBI in connection with the listing of the Equity Shares on a Recognized Stock Exchange
- Upon the expiry of 8 (Eight) years from the Completion Date as per Clause 8 of the Share Subscription Agreement.
- At the option of the holder, at any time prior to the timelines specified above. During the year ended 31 March 2017, 2499475 Series C CCPS were converted to 42811 Equity Shares.

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 4 : Reserves and Surplus

Particulars	As at 31st March, 2018	As at 31st March, 2017
a. Securities premium account		
Opening balance	2,718,724,741	2,694,158,101
Add: Premium on CCPS conversion of equity shares during the year		24,566,640
Less: Goodwill amount adjusted for 'EPS ATM Services Private Limited' pursuant to Scheme of amalgamation (refer note 39)	(290,988,153)	
Closing balance	2,427,736,588	2,718,724,741
b. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(656,254,632)	(476,768,462)
Add: Pursuant to amalgamation of 'EPS ATM Services Private Limited' (refer note 39)	5,535,449	
Add: Profit / (Loss) for the year	(262,621,972)	(179,486,170)
Closing balance	(913,341,155)	(656,254,632)
c. Employee Stock Options Scheme Outstanding		
Opening balance	47,158,494	44,190,628
Add: Amount recorded on grants (refer note 35)	2,568,888	2,967,866
Closing balance	49,727,382	47,158,494
d. Capital Reserve		
Opening balance		
Add: Pursuant to SBI TOM portfolio acquisition (refer note 38)	13,377,254	
Closing balance	13,377,254	
Total	1,577,500,069	2,109,628,603

Note 5 : Long Term Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Term loans		
Secured		
(i) From Banks	286,748,305	439,109,402
(ii) From Others	313,888,350	21,603,785
	600,636,655	460,713,187
(b) Finance lease obligations (Refer Note 31(i))	53,412,868	178,959,688
	53,412,868	178,959,688
Total	654,049,523	639,672,875



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

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, 2018	As at 31st March, 2017
(a) Term loans from Banks		
Secured	518,895,481	643,806,978
[Repayable over 13 - 45 months with Interest range 9.55% - 11.70%		
Secured against:		
1) Trade receivables and Specific ATM, UPS, Site Interiors and other Merchandise, Air conditioners, VSAT and e-surveillance equipment		
2) Lien marked fixed deposit		
3) Personal Guarantee of Promoters and Directors]		
(b) Term loans from Others		
Secured	441,839,650	31,455,038
[Repayable over 20 - 47 months with interest rate 11%-14% Secured against:		
1) Trade receivables and Specific ATM, UPS, Site Interiors and other Merchandise, Air conditioners, VSAT and e-surveillance equipment		
2) Personal Guarantee of Promoters and Directors]		
(c) Finance lease obligations: (refer note 31 (i))		
[Repayable in 4 - 29 monthly instalments with interest rate 14% - 28.85%]	182,843,513	378,952,183
Less: Current Maturities of Long Term Debts & finance lease obligations (Refer Note 9)	1,143,578,644 (489,529,121)	1,054,214,199 (414,541,324)
Total Long Term Borrowings	654,049,523	639,672,875

Note 5.1:

(a) For the current maturities of long term borrowings and finance lease obligations, refer Note 9 "Other Current Liabilities"

Note 6 : Other Long Term Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Profit on Sale and lease back transactions	2,980,165	10,737,846
Total	2,980,165	10,737,846

Note 7 : Long Term Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits		
Provision for gratuity (Refer Note 28 (B))	11,906,360	9,286,323
Provision for Electricity (Refer Note 36)	97,648,692	73,549,853
Total	109,555,052	82,836,176

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 8 : Trade Payables

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Total Outstanding dues of Micro Enterprises & Small Enterprises (Refer Note 8.1 below)	15,118,905	18,226,818
(b) Total Outstanding dues of creditors other than Micro Enterprises & Small Enterprises	550,588,779	310,903,165
Total	565,707,684	329,129,983

Note 8.1: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	15,118,905	18,226,818
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	1,114,995	690,629
(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	-	-
(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	1,114,995	690,629
(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	-	-

Dues to Micro and Small Enterprises have been determined based on confirmations collected by the Management from such enterprises. This has been relied upon by the auditors.

Note 9: Other Current Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long term debt (Refer Note 5(i))		
Secured:		
(a) Term loans from Banks	232,147,176	204,697,576
(b) Term loans from Others	127,951,300	9,851,253
Current maturities of finance lease obligations (Refer Note 31(i))	129,430,645	199,992,500
Deferred Profit on Sale and lease back transactions	7,804,453	14,399,011
Security Deposits received	6,570,000	2,300,000
Other Payables:		
Statutory remittances	15,751,627	7,673,387
Payable to employees	28,575,953	21,873,257
Payable to Customers		78,580
Payable to Bank	12,797,800	12,797,800
Payable on Purchase of Property Plant & Equipment	126,829,333	140,366,019
Total	687,858,287	614,029,383



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 10 : Short Term Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits :		
Provision for gratuity (Refer Note 28 (B))	228,308	164,629
Provision for compensated absences	1,468,849	1,852,953
Provision for expenses	11,970,494	3,222,210
Total	13,667,651	5,239,792

Note 10.1: During the Previous Year, company has discontinued leave encashments, so there is no provision for leave encashment & accordingly company has accounted for compensated absences as per AS- 15.

Note 11 : Short Term Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017
Overdraft from Bank		
Secured against:		
1) Trade receivables and Specific ATM, UPS, Site Interiors and other Merchandise, Air conditioners, VSAT and e-surveillance equipment	49,894,831	-
2) Lien marked fixed deposit		
3) Personal Guarantee of Promoters and Directors		
Total	49,894,831	-

Note 13 : Non - Current Investment

Particulars	As at 31st March, 2018	As at 31st March, 2017
Investments (At Cost)		
Trade		
Investment in wholly owned subsidiary:		
Electronic Payment Australia PTY Ltd (w.e.f. 23rd September 2017) (100 shares of AUD 1 each; Nil as at 31st March 2017)	4,940	-
EPS ATM Services Private Limited (Nil; As at 31st March, 2017: 10,000 shares of INR 10 each fully paid-up) (Refer Note 39)	-	291,088,153
Total	4,940	291,088,153

Note 13.1: The Company has made an investment by way of acquisition of shares in an Australia based Company named as 'Electronic Payment Australia Pty. Ltd.'. Details of the said investment are covered under above note.

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 14 : Long term loans and advances

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured & considered good:		
Security Deposits	113,014,711	76,127,637
Capital Advances	5,690,148	2,151,523
Balances with government authorities:		
Tax deducted at source credit receivable	138,815,043	55,054,172
Total	257,519,902	133,333,332

Note 15: Other Non-Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017
Others		
Balances with Banks in fixed deposit accounts > 1 year (In Earmarked Accounts)		
- Balances held as security against borrowings, guarantees	281,981,898	228,695,906
- Balances held as margin money, guarantees (Refer Note 15.1 below)	49,305,000	49,224,827
Total	331,286,898	277,920,733

Note 15.1: On behalf of the Company, banks have issued performance bank guarantees amounting to INR 233,520,000/- (INR 123,500,000/- as at 31st March, 2017) for the deployment of cash dispensers and others in respect of which the Company has placed fixed deposits under lien amounting to INR 49,305,000/- (INR 46,450,000/- as at 31st March, 2017).

Note 16: Current Investments

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non Trade - Investment in units of Mutual Funds - Unquoted - Lower of cost or fair value		
Investments in Mutual Fund (Refer Note 16.1 below)	143,600,000	749,599,719
Total	143,600,000	749,599,719

Note 16.1: Details of Unquoted Investment	As on 31st March 2018	
Mutual Fund Scheme	Cost	Market Value
DSP Black Rock Liquidity Fund - Direct Plan - Growth - 58666.690 units (Face Value INR10/- each)	143,600,000	145,805,516
Total	143,600,000	145,805,516

Details of Unquoted Investment	As on 31st March 2017	
Mutual Fund Scheme	Cost	Market Value
DSP Black Rock ultra Short Term Fund Direct Growth - 4208866.087 Units (Face Value INR10/- each)	47,500,000	50,117,915
HDFC Banking and PSU Debt Fund Regular Plan Growth - 25531877.693 units (Face Value INR10/- each)	310,730,646	337,401,211



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Details of Unquoted Investment	As on 31st March 2017	
	Cost	Market Value
HDFC Short Term Opportunities Fund Regular plan growth - 5787109.793 Units (Face Value INR10/- each)	55,528,848	158,240,209
ICICI Prudential Short Term Direct Plan Growth Option - 3054358.417 Units (Face Value INR10/- each)	100,000,000	106,996,619
IDFC Corporate Bond Fund Option - 8803298.43 Units (Face Value INR10/- each)	93,823,795	98,346,048
SBI Treasury Advantage Fund Direct Growth - 23397.642 Units (Face Value INR1000/- each)	42,016,430	43,220,351
Total	749,599,719	794,322,353

Note 17: Trade Receivables

Particulars	As at 31st March, 2018	As at 31st March, 2017
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured	8,892,037	4,094,493
Less : - Provision for doubtful trade receivables	(8,892,037)	
	-	4,094,493
Others		
Unsecured, considered good	446,271,296	322,110,424
Penalty Recoverable from Vendors	63,064,090	16,893,253
Less : - Provision for doubtful trade receivables	(803,630)	-
Total	508,531,756	343,098,170

Note 17.1: Trade receivables include amounts due from:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Private companies in which any director is a director:		
EPS ATM Services Private Limited (formerly known as CISB ATM Services Private Limited) (Refer Note 39)	-	258,281,811

Note 18 : Cash and Cash Equivalent

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash on hand	105,757	47,057
Balance with banks		
In Current Accounts	106,310,450	103,360,481
Total A - (Cash & Cash Equivalent as per AS-3)	106,416,207	103,407,538

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash in ATM	19,520,400	-
Balance in Term Deposit		
Less than 12 Months	41,540,429	20,303,707
More than 12 Months	-	1,827,018
Total (B)	61,060,829	22,130,725
Total (A + B)	167,477,036	125,538,263

Note 19 : Short Term Loans and Advances

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured and considered good:		
Loans and advances to related parties (Refer Note 30)	795,417	835,220
Loans and advances to employees	10,910	153,594
Reimbursement of Expenses	2,633,810	-
Prepaid expenses	34,699,672	23,119,894
Balances with Government Authorities		
GST Input Tax Credit / Cenvat Credit receivable	109,423,372	81,038,304
Other statutory remittances recoverable	6,066	-
Advance to suppliers (Net) (Refer Note 36)	20,762,694	263,279
Total	168,331,941	105,410,291

Note 20: Other Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unbilled Revenue	233,641,455	165,254,743
Insurance Claim receivable (Net)	27,514,571	20,721,153
Interest accrued on fixed deposits	1,260,491	2,747,864
Other Receivables	-	4,663,860
Total	262,416,517	193,387,620



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements
Note : 12 Property, Plant & Equipment

Sr. No.	PROPERTY PLANT & EQUIPMENT	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
		BALANCE AS AT 01.04.2017	ADDITIONS*	DISPOSALS	BALANCE AS AT 31.03.2018	BALANCE AS AT 01.04.2017	DEPRECIATION / AMORTISATION ON EXPENSE	ON DISPOSAL	BALANCE AS AT 31.03.2018	BALANCE AS AT 31.03.2018	BALANCE AS	
A	Tangible Assets											
	Automated Teller Machine											
	Owned	970,627,055	530,126,848	6,365,361	1,494,388,542	305,723,668	171,355,778	2,493,404	474,586,042	1,019,802,500	664,903,387	
	Taken under finance lease	598,798,117	564,006	6,655,367	592,706,756	382,175,045	112,559,792	5,251,995	489,482,842	103,223,914	216,623,072	
	Uninterrupted Power Supply Machine											
	Owned	92,813,132	50,220,821	170,848	142,863,105	39,061,271	15,802,311	36,314	54,827,268	88,035,837	53,751,861	
	Taken under finance lease	47,418,922	192	-	47,419,114	29,856,334	8,693,452	-	38,549,786	8,869,328	17,562,588	
	Site Interior & Other Merchandises											
	Owned	495,367,799	67,885,043	35,063,656	528,189,186	166,132,730	77,556,452	17,128,111	226,561,071	301,628,115	329,235,069	
	Taken under finance lease	176,166,819	876,794	10,003,338	167,040,275	110,518,641	31,901,512	7,477,478	134,942,675	32,097,600	65,648,178	
	Air Conditioner											
	Owned	112,686,405	20,766,007	1,087,728	132,364,684	26,799,154	19,005,848	347,568	45,457,434	86,907,250	85,887,251	
	Taken under finance lease	18,395,215	-	352,935	18,042,280	12,844,131	3,281,834	294,185	15,831,780	2,210,500	5,551,084	
	VSAT											
	Owned	64,835,164	32,372,755	784,863	96,423,056	15,403,582	11,378,143	387,340	26,394,385	70,028,671	49,431,582	
	Taken under finance lease	4,030,813	-	160,911	3,869,902	1,598,392	806,162	93,543	2,311,011	1,558,891	2,432,421	
	E-Surveillance											
	Owned	45,383,469	6,366,852	962,718	50,787,603	8,714,434	7,365,617	-	16,080,051	34,707,552	36,669,035	
	Taken under finance lease	2,134,297	479,701	-	2,613,998	392,940	329,053	-	721,993	1,892,005	1,741,357	
	Furniture and Fixtures											
	Owned	3,575,633	319,801	-	3,895,434	1,810,889	640,295	-	2,451,184	1,444,250	1,764,744	
	Taken under finance lease	3,610,204	4,288,740	-	7,898,944	2,449,651	760,114	-	3,209,765	4,689,179	1,160,553	
	Computers											
	Owned	8,537,161	2,983,934	-	11,521,095	5,929,084	1,621,615	-	7,550,699	3,970,396	2,608,077	
	Taken under finance lease	2,644,380,205	717,251,494	61,607,725	3,300,023,974	1,109,409,946	463,057,978	33,509,938	1,538,957,986	1,761,065,988	1,534,970,259	
B	Intangible Assets											
	Computer software	66,328,504	5,605,016	-	71,933,520	17,425,087	20,364,312	-	37,789,399	34,144,121	48,903,417	
	Taken under finance lease	66,328,504	5,605,016	-	71,933,520	17,425,087	20,364,312	-	37,789,399	34,144,121	48,903,417	
	Total	2,710,708,709	722,856,510	61,607,725	3,371,957,494	1,126,835,033	483,422,290	33,509,938	1,576,747,385	1,795,210,109	1,583,873,676	

- Pursuant to the supplier reconciliation, the management has identified a difference of INR 1,256,471 between assets capitalized on provisional basis in the previous years and the assets actually installed. These differences have been included in Disposals and adjusted against the respective creditor balance. The depreciation for the same has been reversed.

- Gross block in respect of assets taken on finance lease includes INR 166,576,553 for which the lease schedules have expired. Management has issued a letter of intent indicating its willingness to purchase these assets, and is in the process of negotiating the price at which these assets shall be acquired.

* Additions include assets acquired on slump sale basis from C-Edge; Automated Teller Machine: INR 53,630,885; Site Interior & Other Merchandises INR 24,221,054; VSAT INR 5,542,295; Air Conditioner INR 4,983,019 (refer note 38).

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 21: Revenue from Operations

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income from ATM Services (net of GST & Service tax)	2,194,291,420	1,813,103,920
Total	2,194,291,420	1,813,103,920

Note 22: Other Income

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest on Fixed Deposit	19,445,841	37,449,338
Interest on Income tax refund	5,215,955	
Profit on Sale and Lease back	14,352,240	14,352,240
Net gain on Sale of current investment	75,033,075	41,348,197
Other Income	33,517	66,637
Total	114,080,628	93,216,412

Note 23: Employee Benefits Expense

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salary, wages & bonus	184,750,918	162,425,160
Contribution to Provident Fund (Refer Note 28(A))	7,306,013	6,469,586
Gratuity expense (Refer Note 28(B))	3,019,362	3,125,252
Expense on employee stock options (ESOP) scheme (Refer Note 35)	2,568,888	2,967,864
Staff welfare expenses	12,358,283	14,872,491
Total	210,003,464	189,860,353

Note 24: Finance Costs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest on Borrowings	85,597,946	103,965,923
Interest on Finance Lease	46,209,655	82,082,792
Loan Processing Fees	9,400,000	6,718,758
Interest on delayed payment of taxes	2,355,417	1,241,032
Total	143,563,018	194,008,505



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 25: Operating Expenses

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Annual Maintenance Charges	155,393,420	105,555,684
Caretaker Charges	56,519,522	8,143,414
Consumables Charges	23,516,896	35,181,546
Cash Replenishment Charges	473,218,573	394,693,304
Management Service Charges	25,464,199	19,914,489
Site Electricity	153,395,960	124,718,933
Site Housekeeping	43,714,564	28,541,294
Satellite (YSAT) Charges	38,428,039	30,444,738
Site Rent	292,168,255	213,576,462
Other Operating Charges	37,739,828	7,012,118
UPS charges Insurance	83,429,225	41,048,079
Premium Repairs	34,633,055	28,378,702
Charges - Sites Shifting	63,148,404	69,176,108
Charges -Sites	4,906,576	2,119,159
Total	1,485,676,516	1,108,504,030

Note 26: Other General Expenses

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Professional and Consultancy Charges	65,872,747	39,276,374
Rates and Taxes	17,790,170	36,712,440
Rent Charges	23,034,952	12,920,170
Payment to auditor (Refer Note (i) below)	3,400,000	3,050,000
Bank Charges and Commission	7,497,395	2,317,526
Insurance Charges	942,641	104,556
Power and Fuel Expenses	2,000,598	2,958,910
Repairs and Maintenance	5,350,455	2,850,831
Telecom Expenses	3,576,909	4,974,574
Travelling and Conveyance Expenses	6,365,959	8,805,785
Business Promotion Expenses	17,649,594	4,163,114
Meeting Expenses	41,077	454,511
Membership and Registration Charges	1,761,271	2,022,586
Office Expenses	6,872,634	4,850,464
Postage and Courier	613,147	615,014
Printing and Stationery	2,478,603	1,333,048
Motor Car Expenses	421,739	633,045
Loss on Theft/Damage/Write-off of Fixed Assets	22,717,317	7,640,508
Provision for doubtful debts	9,695,667	
Bad Debts and allowances for doubtful balances	9,217,937	5,117,275
Insurance claim written off	8,562,865	5,833,817
Provision for Contingencies - Electricity (Refer Note 36)	24,098,839	41,402,318
Lease Rentals (Refer Notes 31(ii))	4,189,385	3,319,062
Miscellaneous Expenses	4,176,831	1,185,960
Total	248,328,732	192,541,888

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 26-(i) Payments to the auditor comprise

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) To Statutory Auditor		
For Audit	3,400,000	3,000,000
For Certificate	-	50,000
For Other Services	-	-
Total	3,400,000	3,050,000

Note 26-(ii) Amount Paid in Foreign Currency

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Amount spent in foreign currency	610,752	3,853,571
Total	610,752	3,853,571

Note 27: Contingent Liabilities and Commitments (to the extent not provided for):

(a) Contingent liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
Claims against the Company not acknowledged as debt		
Service Tax	28,536,936	28,536,936
Local Body Tax	-	194,800

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

(b) Commitments

Particulars	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not accounted for	1,816,100	1,152,367

Note 28: 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 7,306,013/- (INR 6,469,586/-) 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.



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I. Actuarial assumptions:		
Salary Escalation*	10.00 % p.a.	10.00 % p.a.
Expected Return on Plan Assets**		N/A
Discount Rate***	7.83 % p.a.	7.34 % p.a.
	2.5% p.a. for all	2.5% p.a. for all service
Attrition Rate	service groups	groups
	Indian Assured Lives	Indian Assured Lives
Mortality Rate	Mortality (2006-08)	Mortality (2006-08)
	Ultimate	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 balance sheet date for the estimated term of the obligations		
II. Table showing change in Benefit Obligation:		
Liability at the beginning of the year	9,450,952	6,325,700
Interest cost	693,700	511,117
Current service cost	3,130,972	1,847,970
Past service cost (vested benefits)	1,423,815	-
Benefits paid	(335,646)	-
Actuarial (gain)/ loss on obligation	(2,229,125)	766,165
Liability at the end of the year	12,134,668	9,450,952
III. Fair value of Plan Assets:	-	-
IV. Actual return on Plan Assets:	-	-
V. Amount Recognised in the Balance Sheet		
Present value of benefit obligation	(12,134,668)	(9,450,952)
Net asset/ (liability) recognised in the balance sheet	(12,134,668)	(9,450,952)
VI. Percentage of each category of Plan assets to total fair value of Plan Assets		
	Not Applicable	Not Applicable
VII. Expenses recognized in the Statement of Profit & Loss:		
Current service cost	3,130,972	1,847,970
Interest cost	693,700	511,117
Actuarial (gains)/losses	(2,229,125)	766,165
Past service cost (vested benefits) recognised during the period	1,423,815	
Expenses recognized in Statement of Profit and Loss	3,019,362	3,125,252
VIII. Balance Sheet Reconciliation		
Opening net liability	9,450,952	6,325,700
Benefits paid	(335,646)	-
Expense as above	3,019,362	3,125,252
Net Liability / (Asset) recognised in Balance Sheet	12,134,668	9,450,952

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 29: Segmental 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 Companies Act 2013, the Management is of the opinion that the Company's operations comprise of only 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 30: Related party transactions**1. Details of related parties:**

Description of relationship	Names of related parties
(i) Wholly Owned Subsidiary	Electronic Payment Australia PTY Ltd (w.e.f. 23rd September 2017)
(ii) Wholly Owned Subsidiary	EPS ATM Services Private Limited (refer Note 39)
(iii) Key Managerial Personnel (KMP) & their relatives	
Managing Director	Mr. Mani Mamallan
Executive Director	Mr. Sanjay Kapoor
President HR & Admin	Mrs. Vidya Rani Mani Mamallan

2. Details of related party transactions during the year ended 31st March, 2018 and outstanding balances as at 31st March, 2018:

Particulars	Wholly Owned Subsidiary	KMP
Rendering of Services	-	-
	(1,397,562,407)	(-)
Receiving of Services		
Remuneration paid	-	17,653,868
	(-)	(17,523,489)
Perquisites Paid	-	1,329,996
	(-)	(1,136,976)
Business Promotion Exp paid to Electronic Payment Australia PTY Ltd	16,145,354	-
	(-)	(-)
Balance outstanding at the end of the year		
Investment in Wholly Owned Subsidiary	4,940	-
	(291,088,153)	(-)
Trade receivables	-	-
	(258,281,811)	(-)
Other Current Assets	-	-
	(118,023,437)	(-)
Loans & Advances	-	795,417
	(10,500)	(824,720)

Note : Figures in bracket are of previous year.



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 31: Details of leasing arrangements

Particulars	For the year ended 31st March, 2018	For the year ended 31st March 2017
As Lessee		
(i): Finance Lease Obligations		
The Company has entered into finance lease arrangements for certain Site Assets, which provide the Company an option to purchase such assets at the end of the lease period. In certain finance lease, the title/ownership shall not be transferred at end of the lease term. The lease agreement is non-cancellable until its full tenure and the extension beyond the lease term would be at mutually agreeable terms and condition.		
Reconciliation between the total of minimum lease payments at the balance sheet date and their present value:		
Future minimum lease payments		
not later than one year	146,165,000	276,240,078
later than one year and not later than five years	58,056,278	234,323,863
later than five years	-	-
Unmatured finance charges	(21,377,765)	(131,611,758)
	182,843,513	378,952,183
Present value of minimum lease payments payable		
not later than one year	129,430,645	199,992,500
later than one year and not later than five years	53,412,868	178,959,683
later than five years	-	-
	182,843,513	378,952,183
(ii): Operating Lease Obligations		
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. The Company has entered into operating lease agreement for office premises. The lease has a lock-in-period for 3 years till date 31st May 2020 and may be renewed based on mutual agreement of the parties.		
Future minimum lease payments		
not later than one year	24,315,013	2,861,065
later than one year and not later than five years	39,658,861	3,321,391
later than five years	-	-
	63,973,874	6,182,456
Lease payments recognised in the Statement of Profit and Loss		
- Office Rentals	14,782,860	-
- Car Rentals	4,189,385	3,319,062

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 32: Earnings per share

Particulars	For the year ended 31st March, 2018	For the year ended 31st March 2017
Net profit / (loss) after tax for the year	(262,621,972)	(179,486,170)
Net profit / (loss) after tax for the year for computation of Earnings per share	(262,621,972)	(179,486,170)
Weighted average number of equity shares	699,788	569,677
Par value per share	10	10
Loss per share from continuing operations - Basic & Diluted	(375)	(315)

Note: The effect of conversion of preference shares and exercise of ESOP option is anti-dilutive.

Note 33: Deferred Tax

Particulars	For the year ended 31st March, 2018	For the year ended 31st March 2017
Deferred Tax Liability		
Expenses Allowed Under Income Tax Act	103,715	2,024,242
Depreciation on Fixed Assets	-	-
Total (A)	103,715	2,024,242
Deferred Tax Asset		
Expenses Disallowed Under Income Tax Act	6,792,604	2,544,541
Depreciation on Fixed Assets	22,806,728	1,699,697
Finance Leased Assets	4,438,172	21,037,103
Carried forward Losses	128,111,451	158,787,922
Total (B)	162,148,954	184,069,262
Net Deferred Tax Asset / (Liability)	162,045,240	182,045,020

The Company has not recognised net deferred tax asset as there is 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 Accounting Standard 22, specified under section 133 of The Companies Act 2013.

Note 34: 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 35: Employee Stock Option Scheme

In the Extra Ordinary general meeting held on 12th August, 2014, the shareholders 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 Scheme 2014 allows the issue of options to employees of the Company. Each option comprises one underlying equity share.

As per the Scheme, the board of directors grants the options to the employees deemed eligible. The exercise price of each option shall be Rs 10/- as defined in the Scheme. The vesting periods are

- in respect of 16,800 options granted in September 2014 over a period of one year from the date of grant
- in respect of 1,300 options granted in January 2016 -

(i) 50% at end of 24th month (ii) 25% at end of 37th month (iii) 25% at end of 49th month. Options may be exercised within 60 months from the date of vesting.

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



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Particulars (Scheme name: EPS ESOP 2014)	During the year ended 31st March, 2018	
	Options (Numbers)	Weighted average exercise price per option (INR)
Option outstanding at the beginning of the year:	1,300	10
Granted during the year:	-	-
Vested during the year:	650	10
Exercised during the year:	-	-
Lapsed during the year:	-	10
Options outstanding at the end of the year:	650	10
Options available for grant:	800	10

Weighted average remaining contractual life for options is 16.5 months outstanding as at 31 March, 2018.

Particulars (Scheme name: EPS ESOP 2014)	During the year ended 31st March, 2017	
	Options (Numbers)	Weighted average exercise price per option (INR)
Option outstanding at the beginning of the year:	1,300	10
Granted during the year:	-	-
Vested during the year:	-	10
Exercised during the year:	-	-
Lapsed during the year:	-	10
Options outstanding at the end of the year:	1,300	10
Options available for grant:	800	10

Weighted average remaining contractual life for options is 18.5 months outstanding as at 31 March, 2017.

The company believes that the fair valuation of options will not materially change the net income and accordingly the impact on earnings per share. Hence the assumption used for calculating fair value and its impact on earnings per share is not disclosed.

16650 options vested on 4th September 2015 are eligible for exercise till 4th September 2020. 650 options vested on 13th January 2018 are eligible for exercise till 13th January 2023.

Note 36: Provision for Contingencies

The Company carries a Provision for Contingencies towards loss on account of cash theft 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, 2018	For the year ended 31st March 2017
Provision for cash loss		
Opening balance	47,510,200	47,510,200
Addition during the year	-	-
Closing balance (A)	47,510,200	47,510,200
Provision for electricity		
Opening balance	73,549,853	32,147,535
Addition during the year	24,098,839	41,402,318
Closing balance (B)	97,648,692	73,549,853
Closing Balance (A+B)	145,158,892	121,060,053

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 37: The Company does not meet the threshold criteria established under section 135 of the Companies Act 2013 for CSR activities and accordingly, no CSR activities have been undertaken by the Company during the current and previous year.

Note 38: Note on SBI Total Outsourcing Model ("SBI TOM") portfolio acquisition (from C-Edge)

Through a Business Transfer Agreement dated 1st August 2017 between the Company and C-Edge Technologies Limited ("C-Edge"), the Company has acquired the C-Edge's ATM Business Undertaking for deployment of ATMs for State Bank of India (SBI) on total outsourcing model (TOM), as a going concern on a slump sale basis. The terms and conditions of the business transfer has been confirmed by Adoption and Confirmation Agreement dated 15th September 2017 between EPS, SBI and C-Edge. As per this agreement, EPS has adopted and accepted the initial agreement between C-Edge and SBI as a binding document and that the business transfer date is recorded at 15th September 2017. Further, the term as set out in the confirmation agreement is for a period of about 3 years i.e. from 15th September 2017 to 31st July 2020 and the Bank may, at its discretion, renew it for a period of three years.

The Company has paid a lump sum consideration amounting to INR 74,999,999 in respect of the business transfer. The consideration has been apportioned to various items of assets on the basis of their respective fair values at the date of acquisition determined by an independent valuer. The resultant difference of INR 13,377,254 between the purchase consideration and asset value has been credited to the Capital Reserve.

Note 39: Note on merger of EPS ATM

The Scheme of Amalgamation (the "Scheme") amongst Electronic Payment and Services Private Limited ('EPS') and EPS ATM Services Private Limited ('EPS ATM') was approved by the National Company Law Tribunal ('NCLT') at Mumbai Bench vide its order no. Order CSP No. 540 of 2017 in CSA No. 230 of 2017, delivered on 30th November 2017, the scheme came into effect from its appointed date i.e. 1st April, 2016 and was operationalised on 19th February, 2018.

EPS ATM Services Private Limited ('EPS ATM') was incorporated with an objective of executing the contracts for the deployment of ATMs on an outsourcing model for 26 Public sector Banks in the state of Maharashtra. EPS ATM became the wholly owned subsidiary of EPS on 31st December 2015.

In accordance with Scheme:

- a. EPS ATM stands dissolved without winding up with effect from the appointed date 1st April 2016.
- b. All assets, liabilities and reserves & surplus have been deemed to be transferred to EPS with effect from 1st April

The amalgamation has been accounted under the "Pooling of Interests" method as envisaged in Accounting Standards (AS) - 14 on Accounting for Amalgamation specified in Companies (Accounting Standard) Rules 2006, whereby:

1. In accordance with the Scheme, the assets, liabilities and reserves of EPS ATM have been recorded at their book values. Further, equity share capital and investments in the equity shares of EPS ATM has been eliminated and resultant balance amount of INR 290,988,153, has been set off and deducted from the securities premium account of EPS as the order of the NCLT approving the Scheme, as legally advised, has been deemed to be the order under Section 66(3) of the Companies Act, 2013 confirming reduction as an integral part of the Scheme.
2. The accumulated profits of EPS ATM upto the appointed date and from 1st April 2016 to 31st March 2017 of INR 5,535,449 have been transferred to the Surplus in Profit and Loss of the Company under Reserves and Surplus. The operations of EPS ATM during the year have been accounted for in the current year's Statement of Profit and Loss of the Company.



3. In terms of the Scheme inter-company balances (payables, receivables, loans, advances, etc) between EPS ATM and EPS (after giving effect of amalgamation) as at appointed date have been cancelled.

Note 40: 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 : 27th July 2018
Place : Mumbai

Pooja Panvelkar
Company Secretary
Date : 27th July 2018
Place : Mumbai

Mani Mamallan
Chairman & Managing
Director

DIN: 03584512
Date : 27th July 2018
Place : Mumbai

Farroukh Kolah
Chief Financial Officer
Date : 27th July 2018
Place : Mumbai

CONSOLIDATED DIRECTORS' REPORT

To,

The Members of,

M/S. ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Consolidated Accounts for the year ended 31st March, 2018.

CONSOLIDATED FINANCIAL RESULTS:

Particulars	Year Ended on 31st March 2018 (Consolidated)	Year Ended on 31st March 2017 (Consolidated)
Income	2,308,549,052	1,906,320,332
Expenditure	2,087,395,988	1,684,914,776
Profit / Loss before Depreciation	221,153,064	221,405,556
Less: Depreciation	483,422,290	401,813,675
Loss before Prior Period Items & Taxes	(262,269,226)	(180,408,119)
Profit / Loss Exception / Prior Period Items	-	921,949
Less: Provisions for Taxation	-	-
Less: Provision for Deferred Tax Liability	-	-
Profit & Loss from Discontinuing Operations	-	-
Profit / Loss After Tax	(262,269,226)	(179,486,170)

REVIEW OF THE BUSINESS OPERATIONS ON THE BASIS OF CONSOLIDATED FINANCIALS:

During the Year Company recorded a total income of INR 2,308,549,052/- as compared to INR 1,906,320,332/- in the previous financial year. The Company has incurred a net Loss of INR 262,269,226/- during the year as compared to Loss amounting to INR 179,486,170/- during previous financial year.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statement of the Company and its subsidiary, prepared in accordance with Accounting Standard 21 issued by Institute of Chartered Accountants of India, form part of the Annual Report and is reflected in the consolidated financial statement 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 CONSOLIDATED ACCOUNTS

There was no qualification, reservation or adverse remark made by the Auditors in their report on the Consolidated Financial Statements for FY 2017-18.



AUDITORS:

M/S. DELOITTE HASKINS & SELLS LLP, CHARTERED ACCOUNTANTS, firm registration number 117366W/W1000-18 situated at Indiabulls Finance Centre, Tower 3, 27th-32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-13, were appointed as the Statutory Auditors of the company in AGM held on 12th August, 2014 till the Sixth Annual General Meeting, subject to ratification at every Annual General Meeting. Accordingly, their appointment is proposed to be ratified in the ensuing AGM. They have given their eligibility & consent for the proposed ratification.

DISCLOSURE

Since the Consolidated Financials for FY 2017-18 were under the finalization stage, it was not placed before the Board for approval in the Board Meeting held on 27th July 2018 wherein Standalone Financials along with Directors' Report were approved. Considering this, a Directors' Report on Consolidated Financials was being presented to the Board separately in which details of consolidated financial results were presented. Further, all other disclosure pursuant to the provisions of Section 134(3) of the Companies Act, 2013 and annexures remain the same as presented in the Directors' Report approved in the Board Meeting dated 27th July 2018 which is enclosed herewith as "**Annexure - I**".

**For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited**

**PLACE- MUMBAI
DATE- 20th August 2018**

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

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

ANNEXURE - I

To,

The Members of,

M/S. ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Standalone Accounts for the year ended 31st March 2018.

FINANCIAL RESULTS:

Particulars	Year Ended on 31st March 2018 (Standalone)	Year Ended on 31st March 2017 (Standalone)
Income	2,30,83,72,048	1,90,63,20,332
Expenditure	2,08,75,71,730	1,68,49,14,776
Profit / (Loss) before Depreciation	(22,08,00,318)	(22,14,05,556)
Less: Depreciation	48,34,22,290	40,18,13,675
Loss before Prior Period Items & Taxes	(26,26,21,972)	(18,04,08,119)
Profit / Loss Exception / Prior Period Items	-	9,21,949
Less: Provisions for Taxation	-	-
Less: Provision for Deferred Tax Liability	-	-
Profit & Loss from Discontinuing Operations	-	-
Profit / (Loss) After Tax	(26,26,21,972)	(17,94,86,170)

REVIEW OF THE BUSINESS OPERATIONS:

During the Year Company recorded a total income of INR. 2,308,372,048/- as compared to INR. 1,906,320,332/- in the previous financial year. The Company has incurred a net Loss of INR. 262,621,972/- during the year as compared to Loss amounting to INR 179,486,170/- during previous financial year.

DIVIDEND:

In a view of the accumulated loss, the Board does not recommend any dividend during the years under review.

DISCLOSURE ON CHANGE IN THE NATURE OF BUSINESS

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

GENERAL REVIEW

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

**CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives prescribed by the Companies Act, 2013 ("Act"), as the provisions of Section 135 of the Act, pursuant to Corporate Social Responsibility are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company pursuant to the requirements of Section 134(3)(c) 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 have 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 March 31st, 2018 and of the profit of the Company for the year ended on that date;
- 3) That the Director 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 Director had prepared annual accounts on a going concern basis.
- 5) They have 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 pursuant to the provision of Section 186 of the Companies Act. Further, the Company has made an investment by way of acquisition of shares in an Australia based Company named as Electronic Payment Australia Pty. Ltd. Details of the said investment are covered under the Note No. 13 to the Financial Statement of the Company.

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

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 Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the "Annexure A" enclosed.

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, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

NOTING OF THE AMALGAMATION ORDER PASSED BY THE NATIONAL COMPANY LAW TRIBUNAL

The Company had filed the scheme of amalgamation between the Company and its wholly-owned subsidiary Company M/s EPS ATM Services Private Limited on 27th February 2017 with the National Company Law Tribunal ("NCLT") as per the provisions of Section 230 to 232 of the Companies Act, 2013. The said scheme of amalgamation was approved, and the final order was passed by the NCLT on 30th November 2017.

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 the Company availed consultancy services from M/s. Electronic Payment Australia Pty. Ltd.- wholly-owned subsidiary of the Company. As per the Exemption Notification dated 5th June 2015 issued by Ministry of Corporate Affairs, for all the private companies, definition of Related Party does not include Holding, Subsidiary, Associate Company and sister concern (subsidiary of holding), thus transactions entered with them does not require compliance of section 188 of the Companies Act, 2013. Further, there are no material related party transactions during the year under review with the Directors or Key Managerial Personnel of the Company. In light of this, the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted, thus a 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.30 to the Financial Statements.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure B "MGT-9".

DETAILS OF SUBSIDIARY COMPANY

As on March 31, 2018, the Company has a Wholly Owned Subsidiary i.e. Electronic Payment Australia Pty. Ltd. Details of the said subsidiary are given in the Annexure C "AOC-1".

SHARE CAPITAL

Brief details of the Share Capital are given under the Note No. 3 to the Financial Statement of the Company. The Authorized Capital of the Company was increased from INR 70,000,000/- (Rupees Seven Crores Only) to INR 70,100,000/- (Rupees Seven Crores One Lakh Only) consequent to addition of 10,000 Equity Shares of INR. 10/- each, of M/s. EPS ATM Services Private Limited on its amalgamation with 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.

There was no qualification, reservation or adverse remark 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.

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.



DIRECTORS

During the period under review, Mr. Noshir Colah resigned from the post of Nominee Director due to pre- occupation w.e.f. 19th September 2017. Pursuant to which Mr. Vineet Chandra Rai resigned w.e.f. 19th September 2017 and was reappointed as a Nominee Director in place of Mr. Noshir Colah w.e.f. 20th September 2017. Further to which, Ms. Sushma Kaushik was appointed as the Nominee Directors of the Company w.e.f. 20th September 2017. Also, Mr. Farroukh Kolah was appointed a Chief Financial Officer of the Company on 20th September 2017.

Further, the Company also had appointed Mr. Abhay Prasad Hota as an Independent Director of the Company w.e.f. 8th December 2017 and due to his pre-occupations, he resigned from his post w.e.f. 21st February 2018.

MAINTENANCE OF COST RECORDS

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

PARTICULARS OF EMPLOYEES:

The Company has appointed employee in receipt of remuneration aggregating to Rs. 1.2 Crores Per Annum or more following are the disclosures in this regard:

Sr. No	Particulars	Details
1	Name	Mr. Mani Mamallan
2	Designation	Chairman & Managing Director
3	Joining Date	06/08/2012
4	CTC Per Annum	INR 1.25 Crores
5	Qualification	B.Sc.
6	DOB	27/03/1961
7	% of Equity Shares	NIL
8	Relatives of any Director or Manager	N.A

Sr. No	Particulars	Details
1	Name	Mr. Harish Prabhu*
2	Designation	Chief Operating Officer
3	Joining Date	20/11/2016
4	Resignation Date	30/06/2017
5	CTC Per Annum	INR 1.5 Crores
6	Qualification	Professional
7	DOB	03/06/1965
8	% of Equity Shares	NIL
9	Relatives of any Director or Manager	N.A

DECLARATION OF INDEPENDENT DIRECTORS

During the financial year 2017-18, the Company appointed Mr. Abhay Prasad Hota as an Independent Director. Accordingly, Mr. Abhay Prasad Hota submitted the declaration confirming the compliance of the conditions of the independence stipulated in the Section 149 of the Companies Act, 2013.

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. The Company had appointed an Independent Director to comply with the Shareholders' Agreement signed by the Company and its Shareholders

BOARD MEETING

During the financial year 2017-18, the Board met Twelve times (12) on 23/05/2017, 11/07/2017, 29/08/2017, 04/09/2017, 20/09/2017, 16/11/2017, 15/12/2017, 27/12/2017, 16/01/2018, 12/02/2018, 09/03/2018 and 22/03/2018.

SEXUAL HARRASSMENT POLICY

The Company has devised a sound 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.

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 of director as Loan during the period under review.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Company has established a vigil mechanism pursuant to Section 177(9) and oversees it through Mr. Mani Mamallan, Managing Director since audit committee is not applicable to the Company. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards to the extent they are consistent with the Articles of Association of the Company.

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: - Nil
- (b) Options Vested: - 16,650+650
- (c) Options Exercised: - Nil
- (d) The Total Number of Shares arising as a result of Exercise of Option: - Nil
- (e) Options Lapsed: - Nil
- (f) The exercise Price: - Rs 10/- per share
- (g) Variation of terms of Options: - Nil
- (h) Money realized by exercise of Options: - Nil
- (i) Total Number of options in force- 800
- (j) Employee wise details of options granted to; -
 - i. Key managerial Personnel
 - 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.
 - 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.



RISK MANAGEMENT POLICY

The Company has developed and implemented a Risk Management Policy. This policy defines Risk Management framework through Risk Management Structure, Risk Management Program, Risk Categories & Mitigation Measures.

DEPOSIT

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

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation to the Banks & the company's valued investors for their continued co-operation & support. Your Company also take this opportunity to acknowledge the dedicated efforts made by staff and officers at all level for their contribution to the company.

**For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited**

**PLACE- MUMBAI
DATE- 27th July 2018**

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

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

ANNEXURE "A" to Directors' Report for the Financial Year Ended on 31st March 2018

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

a) CONSERVAATION OF ENERGY -

- i) The steps taken of 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 equipments:- 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 2017-18) (Amount Rupees)	Previous Year (FY 2016-17) (Amount Rupees)
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
Total earning in Foreign exchange	NIL	NIL



Details of Foreign Expenditure

Particulars	Current Year (FY 2017-18) (Amount Rupees)	Previous Year (FY 2016-17) (Amount Rupees)
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/ Foreign Travel	6,10,752	38,53,571
Dividend Paid	NIL	NIL
Total Expenditure in Foreign exchange	NIL	NIL

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520



Annexure "B"

Extract of Annual Return as on financial year ended 31.03.2018
[Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 and rule 7.10(1)]

I. REGISTRATION AND OTHER DETAILS:

1	CIN Number of the Company:	U72300MH2011PTC222535
2	Registration Date:	29th September, 2011
3	Name of the Company:	ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
4	Category / Sub-category of the Company:	Private Company Limited by Shares
5	Address of Registered office and contact details:	Unit No. 302-303, 3rd Floor, A-Wing, Supreme Business IT Park, Hiranandani Gardens, Powai, Mumbai, Maharashtra - 400 076. Phone: +91 22 4022 2900 Fax+91 22 4022 2910 Email id: mani@electronicpay.in
6	Whether listed company:	Yes / No
7	Name, Address and contact details of Registrar and Transfer Agent:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY:

All the business activities contributing to 10% or more of the total turnover of the Company shall be stated:-

Sr. No	Name and Description of main products / services	NIC Code of the product/ service	Percentage to total turnover of the company
1	Repair and maintenance of automated terminals like automatic teller machines, point-of-sale (POS) terminals, not mechanically operated	95112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	Percentage of shares held	Applicable Section
1	Electronic Payment Australia Pty. Ltd. Add: Suite 102, 33 Lexington Drive, "Norwest Business Park", Bella Vista NSW 2153	-	Wholly-Owned Subsidiary	100%	2(87)



IV. SHARE HOLDING PATTERN

i. CATEGORY WISE SHAREHOLDING: EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	0	131250	131250	18.76	0	131250	131250	18.76	131250
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-									
2) Foreign									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....									
Sub-total(A)(2):-									
	0	131250	131250	18.76	0	131250	131250	18.76	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(I)									
	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	0	8992	8992	1.28	0	8992	8992	1.28	0
(ii) Overseas	0	559546	559546	79.96	0	559546	559546	79.96	0
b) Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									

IV. SHARE HOLDING PATTERN

i. CATEGORY WISE SHAREHOLDING: EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	0	568538	568538	81.24	0	568538	568538	81.24	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	699788	699788	100	0	699788	699788	100	-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	699788	699788	100	0	699788	699788	100	-



V. SHARE HOLDING PATTERN

ii. CATEGORY WISE SHAREHOLDING: COMPULSORY CONVERTIBLE PREFERENCE SHARES BREAKUP AS PERCENTAGE OF TOTAL PREFERENCE CAPITAL

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other		0			0	0			0
Sub-total(A)(1):-	0	0	0	0	0	0	0	0	0
2) Foreign	0	0	0	0	0	0	0	0	0
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI									
e) Any Other....									
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(I)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
d) Bodies Corp.									
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	2559160	0	0	0	2559160	0	0	0
	0	Series B 58635 +	2559160	100	0	Series B 58635 +	2559160	100	
		Series C 2500525				Series C 2500525			

V. SHARE HOLDING PATTERN

ii. CATEGORY WISE SHAREHOLDING: COMPULSORY CONVERTIBLE PREFERENCE SHARES BREAKUP AS PERCENTAGE OF TOTAL PREFERENCE CAPITAL

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
f) Others(Specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	0	2559160	2559160	100	0	2559160	2559160	100	0
		Series B				Series B			
		58635 +				58635 +			
		Series C				Series C			
		2500525				2500525			
Total Public Shareholding	0	2559160	0	0	0	2559160	0	0	0
(B)=(I)+ (B)(2)		Series B				Series B			
		58635 +				58635 +			
		Series C				Series C			
		2500525				2500525			
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	2559160	2559160	100	0	2559160	2559160	100	0
		Series B				Series B			
		58635 +				58635 +			
		Series C				Series C			
		2500525				2500525			



iii. SHAREHOLDING OF PROMOTERS:

Sr. No.	Name of the shareholder	As on 01.04.2017			As on 31.03.2018			% change in shareholding during the year
		Number of shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	Number of shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Vidya Rani Mani Mamallan	90000	12.87	0	90000	12.87	0	
2.	Sanjay Kapoor	26250	3.75	0	26250	3.75	0	
3.	Dr. Gurusamy	15000	2.14	0	15000	2.14	0	
	TOTAL	131250	18.76	NIL	131250	18.76	NIL	

iv. CHANGE IN PROMOTERS' SHAREHOLDING:

There is no change in the shareholding of promoters during the Financial Year 2017-18.

v. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):- GIVEN IN THE ANNEXURE-1

vi. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of the Shareholder	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company		
1.	Mani Mamallan	At the beginning of the year	0	0	0	
		At the end of the year	0	0	0	
2.	Sanjay Kapoor	At the beginning of the year	26250	3.75	26250	
		At the end of the year	26250	3.75	26250	
3.	Vineet Rai	At the beginning of the year	0	0	0	
		At the end of the year	0	0	0	
4.	Noshir Colah	At the beginning of the year	0	0	N.A - Resigned before the year end	
		At the end of the year	0	0		
5.	Udayan Goyal	At the beginning of the year	0	0	0	
		At the end of the year	0	0	0	
6.	Sushma Kaushik	At the beginning of the year	0	0	0	
		At the end of the year	0	0	0	
7.	Abhay Prasad Hota	At the beginning of the year	0	0	N.A - Resigned before the year end	
		At the end of the year	0	0		
8.	Farroukh Kolah	At the beginning of the year	0	0	0	
		At the end of the year	0	0	0	
9.	Pooja Panvelkar	At the beginning of the year	0	0	0	
		At the end of the year	0	0	0	

vii. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amounts in Rupees)

Name of the shareholder	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	63,96,72,875	0	0	63,96,72,875
i) Principal Amount				
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not Due				
Total(i+ii+iii)		0	0	0
Change in Indebtedness during the financial year				
· Addition	6,42,71,479	0	0	6,42,71,479
· Reduction				
Net Change	6,42,71,479	0	0	6,42,71,479
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	70,39,44,354	0	0	70,39,44,354
iii) Interest accrued but not due				
Total(i+ii+iii)	70,39,44,354	0	0	70,39,44,354

viii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

Sr. No.	Name of the shareholder	Name of MD/ WTD/ Manager	Total Amount (Rs)
		Mani Mamallan	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,256,600	10,256,600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,310,400	1,310,400
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission	0	0
	- as% of profit		
	- others, specify...		
5.	Others, please specify		
	Fuel Allowance	120,000	120,000
	Medical Allowance	15,000	15,000
	LTA	252,000	252,000
	Mobile Allowance	30,000	30,000
	Provident Fund (Company's contribution)	504,000	504,000
	National Pension Scheme	12,000	12,000
6.	Total	12,500,000	12,500,000
7.	Ceiling as per the Act	-	-

**B. REMUNERATION TO OTHER DIRECTORS:**

Particulars of Remuneration	Name of Directors	Total Amount (Rs)
Abbay Prasad Hota		
Independent Directors		
· Fee for attending board	1,00,000	1,00,000
- Fees of attending committee meetings	75,000 (for two sub-committees)	1,50,000
· Commission		
· Others please specify	2,50,000	2,50,000
Total(1)		
Other Non-Executive Directors		
· Fee for attending board committee meetings		
· Commission		
· Others, please specify		
Total(2)		
Total(B)=(1+2)		
Total Managerial Remuneration		
Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Name of the shareholder	CEO	Company Secretary	CFO	Total
1.	Gross salary	-			
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961		554,280	2,928,360	34,82,640
	(b)Value of perquisites u/s 17(2) Income-tax Act,1961		0	36,000	0
	(c)Profits in lieu of salary u/s 17(3) Income-tax Act,1961		0	0	0
2.	Stock Option		0	0	0
3.	Sweat Equity		0	0	0
4.	Commission		0	0	0
	- as % of profit-others, specify...				
5.	Others please specify				
	Medical Allowances		15,000	15,000	30,000
	LTA		14,244	84,480	98,724
	Provident Fund (Company's contribution)		28,476	168,960	1,97,436
	National Pension Scheme		6,000	140,800	1,46,800
	Sodexo		0	26,400	26,400
	Fuel Allowance		0	120,000	1,20,000
	Total		6,18,000	4,400,000	5,018,000

vii. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES- NIL

viii. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520



Shareholding Pattern on Non-Diluted Basis as on 31st March 2018

ANNEXURE 1 (NON-DILUTED SHAREHOLDING)

Shareholder name	Equity	Series B CCPS (conversion 1:1)	Series C CCPS (58.3755 Series C=1 Equity share)
Aavishkaar India II Company Ltd	168,635	-	-
Aavishkaar Goodwell India Microfinance Development Company II Ltd	105,038	-	-
Aavishkaar Venture Management Services P Ltd	1,097	-	-
Asia Participations B.V. (FMO)	65,425	58,635	2,500,525
CIS Bureaus Facility Services Pvt Ltd	7895	-	-
Smt. Vidya Rani Mani Mamallan	90,000	-	-
Mr. Sanjay Kapoor	26,250	-	-
Dr. Ramakrishnan Gurusamy	15,000	-	-
Apis Growth 3 Ltd	220,448	-	-
Total	699,788	58,635	2,500,525

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520

Annexure "C"**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Electronic Payment Australia Pty. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st July 2017- 30th June 2018
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year.	Australian Dollars Exchange Rate as on 31st March 2018:- 50.91 INR
4.	Share capital	5091/- (100 Equity Shares of 1 AUD each)
5.	Reserves & surplus	-11,248,235/-
6.	Total assets	2,285,057/-
7.	Total Liabilities	13,533,291/-
8.	Investments	0
9.	Turnover	3,817,486/-
10.	Profit before taxation	-11,248,235/-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations-NIL
- Names of subsidiaries which have been liquidated or sold during the year-NIL

**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NA

Name of associates/Joint Ventures	NA	NA	NA
Name of associates/Joint Ventures			
Latest audited Balance Sheet Date			
Shares of Associate/Joint Ventures held by the company on the year end			
Number of shares			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
Description of how there is significant influence			
Reason why the associate/joint venture is not consolidated			
Net worth attributable to shareholding as per latest audited Balance Sheet			
Profit/Loss for the year			
Considered in Consolidation			
Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the board of
M/s. Electronic Payment and Services Private Limited

PLACE- MUMBAI
DATE- 27th July 2018

Mr. Mani Mamallan
Chairman & Managing Director
DIN:-03584512

Mr. Sanjay Kapoor
Director
DIN:-03584520

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, the consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of separate financial statements of the subsidiary referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 39 (1) to the financial statements which describes the accounting for the capital reduction which as per the legal view obtained by the Company, forms an integral part of the Scheme of Amalgamation approved by the National Company Law Tribunal.

Our opinion is not modified in respect of this matter.

Other Matters

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs. 2,243,442 as at 31st March, 2018, total revenue of Rs. Nil and net cash inflows amounting to Rs. 1,718,359 for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the separate financial statements of subsidiary, referred in the Other Matters paragraph above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company none of the directors of the Group companies, is disqualified as on 31st March, 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditor's reports of the Holding company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

**For DELOITTE HASKINS AND SELLS LLP Chartered Accountants
(Firm's Registration No. 117366W/W-100018)**

**(Anjum A. Qazi)
Partner
(Membership No. 104968)
Place: Mumbai
Date: 20th August 2018**



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of **ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED** (hereinafter referred to as "the Holding Company"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company , 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 ("the ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Holding 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 Holding Company, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DELOITTE HASKINS AND SELLS LLP Chartered Accountants
(Firm's Registration No. 117366W/W-100018)**

**(Anjum A. Qazi)
Partner
(Membership No. 104968)
Place: Mumbai
Date: 20th August 2018**



FINANCIAL STATEMENT FY 2017-2018

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

CIN: U72300MH2011PTC222535

Consolidated Balance Sheet as at 31st March, 2018

Amount In INR

Particulars	Note No	As at 31st March, 2018	As at 31st March, 2017
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	32,589,480	32,589,480
Reserves and Surplus	4	1,578,223,534	2,109,628,603
		1,610,813,014	2,142,218,083
Non-Current Liabilities			
Long-term Borrowings	5	654,049,523	639,672,875
Other Long-term Liabilities	6	2,980,165	10,737,846
Long-term Provisions	7	109,555,052	82,836,176
		766,584,740	733,246,897
Current Liabilities			
Trade Payables	8		
(a) Total Outstanding dues of Micro Enterprises & Small Enterprises		15,118,905	18,226,818
(b) Total Outstanding dues of creditors other than Micro Enterprises & Small Enterprises		550,588,779	310,903,165
Other Current Liabilities	9	689,378,264	614,029,383
Short-term Provisions	10	13,667,651	5,239,791
Short-term Borrowings	11	49,894,831	
		1,318,648,430	948,399,157
Total		3,696,046,184	3,823,864,137
II. ASSETS			
Non-Current Assets			
Property, Plant & Equipment			
Tangible Assets	12	1,761,065,988	1,534,970,259
Intangible Assets	12	34,144,121	48,903,417
Capital Work-in-progress		59,423,643	20,614,180
		1,854,633,752	1,604,487,856
Non-Current Investments	13		291,088,153
Long term Loans and Advances	14	257,519,902	133,333,332
Other Non-Current Assets	15	331,286,898	277,920,733
		588,806,800	702,342,218
Current Assets			
Current Investments	16	143,600,000	749,599,719
Trade Receivables	17	508,531,756	343,098,170
Cash and Cash Equivalents	18	169,372,398	125,538,263
Short-term Loans and Advances	19	168,684,961	105,410,291
Other Current Assets	20	262,416,517	193,387,620
		1,252,605,632	1,517,034,063
Total		3,696,046,184	3,823,864,137

Notes 1 to 42 forms 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: 20th August 2018
Place: Mumbai

Sanjay Kapoor
Director

DIN: 03584520
Date: 20th August 2018
Place : Mumbai

Mani Mamallan
Chairman & Managing
Director

DIN: 03584512
Date: 20th August 2018
Place : Mumbai

Pooja Panvelkar
Company Secretary
Date : 20th August 2018
Place : Mumbai

Farroukh Kolah
Chief Financial Officer
Date : 20th August 2018
Place : Mumbai



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
CIN: U72300MH2011PTC222535
Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

Amount In INR

Particulars	Note No	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue from Continuing Operations:			
Revenue from operations (Net of GST & Service tax)	21	2,194,291,420	1,813,103,920
Other Income	22	114,257,632	93,216,412
Total Revenue		2,308,549,052	1,906,320,332
Expenses:			
Employee benefits expense	23	218,744,354	189,860,353
Finance costs	24	143,563,018	194,008,505
Depreciation and amortisation expense	12	483,422,290	401,813,675
Operating Expenses	25	1,485,676,516	1,108,504,030
Other General expenses	26	239,412,100	192,541,888
Total Expenses		2,570,818,278	2,086,728,451
Loss before Prior Period Items & Taxes		(262,269,226)	(180,408,119)
Prior Period Item		-	921,949
Loss Before Tax		(262,269,226)	(179,486,170)
Tax expense:			
Current Tax		-	-
Deferred Tax		-	-
Loss for the year		(262,269,226)	(179,486,170)
Loss per share (Face Value INR 10/- each)			
Basic and Diluted (INR)	32	(375)	(315)

Notes 1 to 42 forms 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: 20th August 2018
Place: Mumbai

Sanjay Kapoor
Director

DIN: 03584520
Date : 20th August 2018
Place : Mumbai

Mani Mamallan
Chairman & Managing
Director

DIN: 03584512
Date : 20th August 2018
Place : Mumbai

Pooja Panvelkar
Company Secretary
Date : 20th August 2018
Place : Mumbai

Farroukh Kolah
Chief Financial Officer
Date : 20th August 2018
Place : Mumbai

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
CIN: U72300MH2011PTC222535
Consolidated Cash Flow statement for the year ended 31st March 2018

Amount in INR

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
A. Cash Flow from Operating Activities		
Loss Before Tax as per Statement of Profit & Loss	(262,269,226)	(179,486,170)
Adjustments for :		
Depreciation & Amortisation Expenses	483,422,290	401,813,675
Expense on employee stock options (ESOP) scheme	2,568,888	2,967,864
Expense on Gratuity	3,019,362	2,683,716
Finance Costs	143,563,018	194,008,505
Interest Income	(19,445,841)	(37,449,338)
Interest on Income Tax Refund	(5,215,955)	-
Net gain on sale of current investments	(75,033,075)	(41,348,197)
Provision for doubtful trade receivables	9,695,667	-
Bad Debts and allowances for doubtful balances	9,217,937	5,117,275
Insurance claim written off	8,562,865	5,833,817
Loss on Theft/Write off of Property, Plant & Equipment	22,717,317	7,640,508
Provision for Contingencies	24,098,839	41,402,318
Foreign Exchange Gain on Consolidation	(177,004)	-
Deferred profit on sale of Property Plant & Equipment	(14,352,240)	(14,352,240)
Operating profit before working capital changes	330,372,842	388,831,733
Changes in Working Capital		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(37,580,479)	(82,177,062)
Short-term loans and advances	(62,761,575)	(61,139,831)
Long-term loans and advances	(34,403,128)	(7,222,126)
Other current assets	(335,884,204)	(4,891,218)
Cash-in-ATM	(19,520,400)	-
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	236,127,702	107,887,227
Other current liabilities	16,685,285	(208,520,691)
Short-term provisions	8,427,860	4,660,544
Long-term provisions	(399,325)	-
Cash Generated from Operations	101,064,578	137,428,576
Tax and interest on tax paid / refund received	12,693,018	(28,837,861)
Net Cash flow from Operating Activities (A)	113,757,596	108,590,715
B. Cash Flow from Investing Activities		
Capital expenditure on Property Plant & Equipment, including capital advances	(759,983,559)	(547,783,422)
Interest Income received	19,445,841	31,461,396
Investments in Mutual Fund	(392,600,000)	(1,834,593,469)
Proceeds from sale of current investments	1,073,632,794	1,608,342,124
Fixed Deposits Matured	(72,775,869)	1,013,060,874
Net Cash Flow (used in) Investing Activities (B)	(132,280,793)	270,487,503



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
CIN: U72300MH2011PTC222535
Consolidated Cash Flow statement for the year ended 31st March 2018

Amount in INR

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
C. Cash Flow from Financing Activities		
Proceeds from short-term borrowings	49,894,831	-
Proceeds from long-term borrowings	540,654,375	343,085,984
Repayment of long-term borrowings	(451,289,935)	(487,080,394)
Finance Costs	(143,563,018)	(194,008,505)
Cash Flow from Financing Activities (C)	(4,303,747)	(338,002,915)
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(22,826,944)	41,516,839
Add: Cash & Cash Equivalent at the beginning of the year	103,407,538	61,890,699
Add: Foreign Exchange Gain on Consolidation	177,004	-
Add: Cash taken over on acquisition of Electronic Payment Australia PTY Ltd	2,038,642	-
Add: Pursuant to Scheme of Amalgamation (refer Note 39)	25,515,329	-
Cash & Cash Equivalent at the end of the year	108,311,569	103,407,538

Notes to Cash Flow Statement:

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

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash and Cash equivalents comprises of		
Cash on hand	110,755	47,057
Balance with Banks	108,200,814	103,360,481
Cash and Cash equivalents as per Note 18	108,311,569	103,407,538

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.

3) (a) An amount of INR 25,515,329 relates to cash and cash equivalents balances with EPS ATM Services Private Limited on the date of becoming part of the Company, consequent to Scheme of Amalgamation. (b) The Scheme of Amalgamation does not involve any cash outflow (Refer Note 39).

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Anjum A Qazi
Partner

Date: 20th August 2018
Place: Mumbai

Sanjay Kapoor
Director

DIN: 03584520
Date : 20th August 2018
Place : Mumbai

Mani Mamallan
Chairman & Managing
Director

DIN: 03584512
Date : 20th August 2018
Place : Mumbai

Pooja Panvelkar
Company Secretary
Date : 20th August 2018
Place : Mumbai

Farroukh Kolah
Chief Financial Officer
Date : 20th August 2018
Place : Mumbai

Basis of Consolidation and significant accounting policies

Note I(a): Corporate Information

The Consolidated Financial Statements relate to Electronic Payment and Services Private Limited ('EPS' or 'Company') and its wholly owned subsidiary Electronic Payment Australia PTY Ltd (the 'Subsidiary' or 'EPAPL') located in Australia.

Note I(b): Basis for preparation of Financial Statements

The consolidated financial statements of the Company and its subsidiary (together the 'Group') 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, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The consolidated financial statements have been prepared on accrual basis under the historical cost convention.

Note I(c): Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as that of the Company i.e., March 31, 2018.
- (ii) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses, unless cost cannot be recovered as per Accounting Standard 21 on 'Consolidated Financial Statements' specified under section 133 of the Companies Act, 2013.
- (iii) The foreign subsidiary is considered as an integral foreign operation and hence revenue items are consolidated at the average rate prevailing during the year, all assets and liabilities are converted at rates prevailing at the end of the year and exchange rate difference arising on consolidation is recognized in the statement of Profit and Loss.
- (iv) The difference between the cost of investment in the subsidiary and the Company's share of net assets at the time of acquisition of control in the subsidiary is recognized in the consolidated financial statement as Goodwill or Capital Reserve as the case may be.

Note 2: Significant Accounting Policies

a) 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.

b) 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.

c) 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 the available information.

d) 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 & Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 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 & Equipment	Useful Life
Site Assets:	
Automated Teller Machine:	
Owned	7 Years
Taken on finance lease	5 Years
Uninterrupted Power Supply Machine:	
Owned	7 Years
Taken on finance lease	5 Years
Site Interior & Other Merchandises:	
Owned	7 Years
Taken on finance lease	5 Years
Air Conditioner:	
Owned	7 Years
Taken on finance lease	5 Years
VSAT:	
Owned	7 Years
Taken on finance lease	5 Years
E-Surveillance	7 Years
Digital Video Recorder (DVR)	7 Years
Taken over ATMs and related assets like site interiors, VSAT, AC, UPS	5 Years
Office furniture and fixtures	3 Years
Office equipment	3 Years

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

Description of Assets	Useful Life
Computers	3 Years

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

Description of Assets	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.

e) Revenue Recognition

Revenues from service contracts, are recognised when services are rendered; and there is reasonable certainty of ultimate realisation for the same.

Revenues until the Balance Sheet date for ATM services provided and for which the billing is pending are aggregated and reported as Unbilled Revenue.

f) Other Income

(i) Profit/ Loss on sale of Property Plant & 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 & the Company's right to receive payment is established.

g) Property, Plant & Equipment

Property, Plant & Equipment including intangible assets are stated at cost of acquisition less accumulated depreciation, amortisation and impairment, if any. The cost of Property, Plant & 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.

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.

h) 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 at 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.

i) Investments

Investments are accounted for and valued as per Accounting Standard (AS) 13 - 'Accounting for Investments' as specified under section 133 of The Companies Act 2013.

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, in the value of such Investments.

Current Investments are carried individually, at cost or fair value whichever is less.

j) Employee Benefits

Employee Benefits include provident fund, gratuity and compensated absences.

Defined-contribution plans

The Company's contribution to provident fund is considered as 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 fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. 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. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

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 and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of short-term non-accumulating compensated absences is accounted, when the absences occur.

k) 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.

l) 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 potential equity shares.

m) 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

n) 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.

o) 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.

p) 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.

q) Goods and Services Tax / Service tax input credit

GST / Service tax input credit 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.

r) 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").

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.

s) 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.

t) 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.

u) 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.



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 3 : Share Capital

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares	INR	Number of shares	INR
(a) Authorised				
Equity Shares of INR 10/- each	1,310,000	13,100,000	1,300,000	13,000,000
Compulsory Convertible Preference Shares of INR 10/- each	5,700,000	57,000,000	5,700,000	57,000,000
	7,010,000	70,100,000	7,000,000	70,000,000
(b) Issued, Subscribed and fully paid-up				
Equity Shares of INR 10/- each	699,788	6,997,880	699,788	6,997,880
Compulsory Convertible Preference Shares ('CCPS') of INR 10/- each	2,559,160	25,591,600	2,559,160	25,591,600
	3,258,948	32,589,480	3,258,948	32,589,480
Total	3,258,948	32,589,480	3,258,948	32,589,480

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

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares	INR	Number of shares	INR
i. Equity shares				
Outstanding at the beginning of the year	699,788	6,997,880	567,875	5,678,750
Add: CCPS converted to equity during the year			131,913	1,319,130
Closing Balance	699,788	6,997,880	699,788	6,997,880
ii. Compulsorily convertible preference shares				
Series B CCPS:				
Outstanding at the beginning of the year	58,635	586,350	147,737	1,477,370
Add: Issued during the year				
Less: Conversion to Equity during the year			(89,102)	(891,020)
Closing Balance	58,635	586,350	58,635	586,350
Series C CCPS:				
Outstanding at the beginning of the year	2,500,525	25,005,250	5,000,000	50,000,000
Add: Issued during the year				
Less: Conversion to Equity during the year			(2,499,475)	(24,994,750)
Closing Balance	2,500,525	25,005,250	2,500,525	25,005,250
Total	2,559,160	25,591,600	2,559,160	25,591,600

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 3 (b) : Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares Held	% Share holding	No. of Shares Held	% Share holding
i) Equity shares				
Vidya Rani Mani Mamallan	90,000	12.86%	90,000	12.86%
Aavishkaar India II Company Limited	168,635	24.10%	168,635	24.10%
Aavishkaar Goodwell India Microfinance Development Company II Limited	105,038	15.01%	105,038	15.01%
APIS Growth III Limited	220,448	31.50%	220,448	31.50%
Asia Participations B.V.	65,425	9.35%	65,425	9.35%
ii) Series B CCPS				
Asia Participations B.V.	58,635	100.00%	58,635	100.00%
iii) Series C CCPS				
Asia Participations B.V.	2,500,525	100.00%	2,500,525	100.00%

Note 3(c): Terms / right 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 the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 3(d) :Terms of Conversion / redemption of CCPS

Series B CCPS:

During the year ended 31 March 2014, the Company issued 147,737 Series B CCPS at INR 10 each fully paid-up at a premium aggregating INR 391,503,069/-. The Series B CCPS shall be compulsorily converted into an equal number of Equity Shares on a 1:1 ratio

Conversion of the Series B CCPS into Equity Share shall happen upon the occurrence of the earlier of any of the following events:

a. At the time of the Company filing a draft red herring prospectus with SEBI in connection with the listing of the Equity Shares on a Recognized Stock Exchange

b. Upon the expiry of 8 (Eight) years from the Completion Date as per Clause 8 of the Share Subscription Agreement.

c. At the option of the holder, at any time prior to the timelines specified above.

During the year ended 31 March 2017, 89102 Series B CCPS were converted to 89102 Equity Shares

Series C CCPS:

During the year ended 31 March 2016, the Company issued 5,000,000 Series C CCPS at INR 10 each fully paid-up at a premium aggregating INR 250,000,000/-. The Series C CCPS shall be compulsorily converted into one Equity Share for every 58.3833 Series C CCPS.

Conversion of the Series C CCPS into Equity Share shall happen upon the occurrence of the earlier of any of the following events:

a. At the time of the Company filing a draft red herring prospectus with SEBI in connection with the listing of the Equity Shares on a Recognized Stock Exchange

b. Upon the expiry of 8 (Eight) years from the Completion Date as per Clause 8 of the Share Subscription Agreement.

c. At the option of the holder, at any time prior to the timelines specified above.

During the year ended 31 March 2017, 2499475 Series C CCPS were converted to 42811 Equity Shares.



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes forming part of Financial Statements

Note 4 : Reserves and Surplus

Particulars	As at 31st March, 2018	As at 31st March, 2017
a. Securities premium account		
Opening balance	2,718,724,741	2,694,158,101
Add: Premium on CCPS conversion of equity shares during the year		24,566,640
Less: Goodwill amount adjusted for 'EPS ATM Services Private Limited' pursuant to Scheme of amalgamation (refer note 39)	(290,988,153)	
Closing balance	2,427,736,588	2,718,724,741
b. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(656,254,632)	(476,768,462)
Add: Pursuant to amalgamation of 'EPS ATM Services Private Limited' (refer note 39)	5,535,449	
Add: Profit / (Loss) for the year	(262,269,226)	(179,486,170)
Closing balance	(912,988,409)	(656,254,632)
c. Employee Stock Options Scheme Outstanding		
Opening balance	47,158,494	44,190,628
Add: Amount recorded on grants (refer note 35)	2,568,888	2,967,866
Closing balance	49,727,382	47,158,494
d. Capital Reserve		
Opening balance		
Add: Pursuant to investment in Electronic Payment Australia PTY Ltd	370,719	
Add: Pursuant to SBI TOM portfolio acquisition (refer note 38)	13,377,254	
Closing balance	13,747,973	
Total	1,578,223,534	2,109,628,603

Note 5 : Long Term Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Term loans		
Secured		
(i) From Banks	286,748,305	439,109,402
(ii) From Others	313,888,350	21,603,785
	600,636,655	460,713,187
(b) Finance lease obligations (Refer Note 31(i))	53,412,868	178,959,688
	53,412,868	178,959,688
Total	654,049,523	639,672,875

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

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, 2018	As at 31st March, 2017
(a) Term loans from Banks		
Secured	518,895,481	643,806,978
[Repayable over 13 - 45 months with Interest range 9.55% - 11.70%		
Secured against:		
1) Trade receivables and Specific ATM, UPS, Site Interiors and other Merchandise, Air conditioners, VSAT and e-surveillance equipment		
2) Lien marked fixed deposit		
3) Personal Guarantee of Promoters and Directors]		
(b) Term loans from Others		
Secured	441,839,650	31,455,038
[Repayable over 20 - 47 months with interest rate 11%-14% Secured against:		
1) Trade receivables and Specific ATM, UPS, Site Interiors and other Merchandise, Air conditioners, VSAT and e-surveillance equipment		
2) Personal Guarantee of Promoters and Directors]		
(c) Finance lease obligations: (refer note 31 (i))		
[Repayable in 4 - 29 monthly instalments with interest rate 14% - 28.85%]	182,843,513	378,952,183
	1,143,578,644	1,054,214,199
Less: Current Maturities of Long Term Debts & finance lease obligations (Refer Note 9)	(489,529,121)	(414,541,324)
Total Long Term Borrowings	654,049,523	639,672,875

Note 5.1:

(a) For the current maturities of long term borrowings and finance lease obligations, refer Note 9 "Other Current Liabilities"

Note 6 : Other Long Term Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Profit on Sale and lease back transactions	2,980,165	10,737,846
Total	2,980,165	10,737,846

Note 7 : Long Term Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits		
Provision for gratuity (Refer Note 28 (B))	11,906,360	9,286,323
Provision for Electricity (Refer Note 36)	97,648,692	73,549,853
Total	109,555,052	82,836,176



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 8 : Trade Payables

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Total Outstanding dues of Micro Enterprises & Small Enterprises (Refer Note 8.1 below)	15,118,905	18,226,818
(b) Total Outstanding dues of creditors other than Micro Enterprises & Small Enterprises	550,588,779	310,903,165
Total	565,707,684	329,129,983

Note 8.1: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	15,118,905	18,226,818
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	1,114,995	690,629
(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		
(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 accounting year 2017	1,114,995	690,629
(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		

Dues to Micro and Small Enterprises have been determined based on confirmations collected by the Management from such enterprises. This has been relied upon by the auditors.

Note 9: Other Current Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long term debt (Refer Note 5(i)) Secured:		
(a) Term loans from Banks	232,147,176	204,697,576
(b) Term loans from Others	127,951,300	9,851,253
Current maturities of finance lease obligations (Refer Note 31(i)) Deferred	129,430,645	199,992,500
Profit on Sale and lease back transactions	7,804,453	14,399,011
Security Deposits received	6,570,000	2,300,000
Other Payables:		
Statutory remittances	17,271,604	7,673,387
Payable to employees	28,575,953	21,873,257
Payable to Customers		78,580
Payable to Bank	12,797,800	12,797,800
Payable on Purchase of Property Plant & Equipment	126,829,333	140,366,019
Total	689,378,264	614,029,383

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 10 : Short Term Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits :		
Provision for gratuity (Refer Note 28 (B))	228,308	164,629
Provision for compensated absences	1,468,849	1,852,953
Provision for expenses	11,970,494	3,222,210
Total	13,667,651	5,239,792

Note 10.1: During the Previous Year, company has discontinued leave encashments, so there is no provision for leave encashment & accordingly company has accounted for compensated absences as per AS- 15.

Note 11 : Short Term Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017
Overdraft from Bank		
Secured against:		
1) Trade receivables and Specific ATM, UPS, Site Interiors and other Merchandise, Air conditioners, VSAT and e-surveillance equipment	49,894,831	
2) Lien marked fixed deposit		
3) Personal Guarantee of Promoters and Directors		
Total	49,894,831	

Note 13 : Non - Current Investment

Particulars	As at 31st March, 2018	As at 31st March, 2017
Investments (At Cost)		
Trade		
Investment in wholly owned subsidiary:		
EPS ATM Services Private Limited		
(Nil; As at 31st March, 2017: 10,000 shares of INR 10 each fully paid- up)		
(Refer Note 39)		291,088,153
Total		291,088,153

Note 14 : Long term loans and advances

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured & considered good:		
Security Deposits	113,014,711	76,127,637
Capital Advances	5,690,148	2,151,523
Balances with government authorities:		
Tax deducted at source credit receivable	138,815,043	55,054,172
Total	257,519,902	133,333,332



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 15: Other Non-Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017
Others		
Balances with Banks (In Earmarked Accounts)		
- Balances held as security against borrowings, guarantees	281,981,898	228,695,906
- Balances held as margin money, guarantees (Refer Note 15.1 below)	49,305,000	49,224,827
Total	331,286,898	277,920,733

Note 15.1: On behalf of the Company, banks have issued performance bank guarantees amounting to INR 233,520,000/- (INR 123,500,000/- as at 31st March, 2017) for the deployment of cash dispensers and others in respect of which the Company has placed fixed deposits under lien amounting to INR 49,305,000/- (INR 46,450,000/- as at 31st March, 2017).

Note 16: Current Investments

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non Trade - Investment in units of Mutual Funds - Unquoted - Lower of cost or fair value		
Investments in Mutual Fund (Refer Note 16.1 below)	143,600,000	749,599,719
Total	143,600,000	749,599,719

Note 16.1: Details of Unquoted Investment

As on 31st March 2018

Mutual Fund Scheme	Cost	Market Value
Mutual Fund Scheme		
DSP Black Rock Liquidity Fund - Direct Plan - Growth - 58666.690 units (Face Value INR10/- each)	143,600,000	145,805,516
Total	143,600,000	145,805,516

Details of Unquoted Investment

As on 31st March 2017

Mutual Fund Scheme	Cost	Market Value
Mutual Fund Scheme		
DSP Black Rock ultra Short Term Fund Direct Growth - 4208866.087 Units (Face Value INR10/- each)	47,500,000	50,117,915
HDFC Banking and PSU Debt Fund Regular Plan Growth - 25531877.693 units (Face Value INR10/- each)	310,730,646	337,401,211
HDFC Short Term Opportunities Fund Regular plan growth - 5787109.793 Units (Face Value INR10/- each)	155,528,848	158,240,209
ICICI Prudential Short Term Direct Plan Growth Option - 3054358.417 Units (Face Value INR10/- each)	100,000,000	106,996,619
IDFC Corporate Bond Fund Option - 8803298.43 Units (Face Value INR10/- each)	93,823,795	98,346,048
SBI Treasury Advantage Fund Direct Growth - 23397.642 Units (Face Value INR1000/- each)	42,016,430	43,220,351
Total	749,599,719	794,322,353

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 17: Trade Receivables

Particulars	As at 31st March, 2018	As at 31st March, 2017
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured	8,892,037	4,094,493
Less : - Provision for doubtful trade receivables	(8,892,037)	
		4,094,493
Others		
Unsecured, considered good	446,271,296	322,110,424
Penalty Recoverable from Vendors	63,064,090	16,893,253
Less : - Provision for doubtful trade receivables	(803,630)	
Total	508,531,756	343,098,170

Note 17.1: Trade receivables include amounts due from:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Private companies in which any director is a director:		
EPS ATM Services Private Limited (formerly known as CISB ATM Services Private Limited) (Refer Note 39)		258,281,811

Note 18 : Cash and Cash Equivalents

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash on hand	110,755	47,057
Balance with banks		
In Current Accounts	108,200,814	103,360,481
Total A - (Cash & Cash Equivalent as per AS-3)	108,311,569	103,407,538
Cash in ATM	19,520,400	-
Balance in Term Deposit		
Less than 12 Months	41,540,429	20,303,707
More than 12 Months	-	1,827,018
Total (B)	61,060,829	22,130,725
Total (A+B)	169,372,398	125,538,263



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 19 : Short Term Loans and Advances

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured and considered good:		
Loans and advances to related parties (Refer Note 30) Loans and advances to employees	795,417	835,220
Reimbursement of Expenses	2,633,810	-
Prepaid expenses	34,699,672	23,119,894
Balances with Government Authorities		
GST Input Tax Credit / Cenvat Credit receivable	109,423,372	81,038,304
Other statutory remittances recoverable	298,358	-
Advance to suppliers (Net) (Refer Note 36)	20,762,694	263,279
Total	168,684,961	105,410,291

Note 20: Other Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unbilled Revenue	233,641,455	165,254,743
Insurance Claim receivable (Net)	27,514,571	20,721,153
Interest accrued on fixed deposits	1,260,491	2,747,864
Other Receivables	-	4,663,860
Total	262,416,517	193,387,620

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements
Note : 12 Property, Plant & Equipment

Sr. No.	PROPERTY PLANT & EQUIPMENT	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
		BALANCE AS AT 01.04.2017	ADDITIONS*	DISPOSALS	BALANCE AS AT 31.03.2018	BALANCE AS AT 01.04.2017	DEPRECIATION / AMORTISATION ON EXPENSE	ON DISPOSAL	BALANCE AS AT 31.03.2018	BALANCE AS AT 31.03.2018	BALANCE AS	
A	Tangible Assets											
	Automated Teller Machine											
	Owned	970,627,055	530,126,848	6,365,361	1,494,388,542	305,723,668	171,355,778	2,493,404	474,586,042	1,019,802,500	664,903,387	
	Taken under finance lease	598,798,117	564,006	6,655,367	592,706,756	382,175,045	112,559,792	5,251,995	489,482,842	103,223,914	216,623,072	
	Uninterrupted Power Supply Machine											
	Owned	92,813,132	50,220,821	170,848	142,863,105	39,061,271	15,802,311	36,314	54,827,268	88,035,837	53,751,861	
	Taken under finance lease	47,418,922	192	-	47,419,114	29,856,334	8,693,452	-	38,549,786	8,869,328	17,562,588	
	Site Interior & Other Merchandises											
	Owned	495,367,799	67,885,043	35,063,656	528,189,186	166,132,730	77,556,452	17,128,111	226,561,071	301,628,115	329,235,069	
	Taken under finance lease	176,166,819	876,794	10,003,338	167,040,275	110,518,641	31,901,512	7,477,478	134,942,675	32,097,600	65,648,178	
	Air Conditioner											
	Owned	112,686,405	20,766,007	1,087,728	132,364,684	26,799,154	19,005,848	347,568	45,457,434	86,907,250	85,887,251	
	Taken under finance lease	18,395,215	-	352,935	18,042,280	12,844,131	3,281,834	294,185	15,831,780	2,210,500	5,551,084	
	VSAT											
	Owned	64,835,164	32,372,755	784,863	96,423,056	15,403,582	11,378,143	387,340	26,394,385	70,028,671	49,431,582	
	Taken under finance lease	4,030,813	-	160,911	3,869,902	1,598,392	806,162	93,543	2,311,011	1,558,891	2,432,421	
	E-Surveillance											
	Owned	45,383,469	6,366,852	962,718	50,787,603	8,714,434	7,365,617	-	16,080,051	34,707,552	36,669,035	
	Taken under finance lease	2,134,297	479,701	-	2,613,998	392,940	329,053	-	721,993	1,892,005	1,741,357	
	Furniture and Fixtures											
	Owned	3,575,633	319,801	-	3,895,434	1,810,889	640,295	-	2,451,184	1,444,250	1,764,744	
	Taken under finance lease	3,610,204	4,288,740	-	7,898,944	2,449,651	760,114	-	3,209,765	4,689,179	1,160,553	
	Computers											
	Owned	8,537,161	2,983,934	-	11,521,095	5,929,084	1,621,615	-	7,550,699	3,970,396	2,608,077	
	Taken under finance lease	2,644,380,205	717,251,494	61,607,725	3,300,023,974	1,109,409,946	463,057,978	33,509,938	1,538,957,986	1,761,065,988	1,534,970,259	
B	Intangible Assets											
	Computer software	66,328,504	5,605,016	-	71,933,520	17,425,087	20,364,312	-	37,789,399	34,144,121	48,903,417	
	Total	66,328,504	5,605,016	-	71,933,520	17,425,087	20,364,312	-	37,789,399	34,144,121	48,903,417	
	Grand Total	2,710,708,709	722,856,510	61,607,725	3,371,957,494	1,126,835,033	483,422,290	33,509,938	1,576,747,385	1,795,210,109	1,583,873,676	

- Pursuant to the supplier reconciliation, the management has identified a difference of INR 1,256,471 between assets capitalized on provisional basis in the previous years and the assets actually installed. These differences have been included in Disposals and adjusted against the respective creditor balance. The depreciation for the same has been reversed.

- Gross block in respect of assets taken on finance lease includes INR 166,576,553 for which the lease schedules have expired. Management has issued a letter of intent indicating its willingness to purchase these assets, and is in the process of negotiating the price at which these assets shall be acquired.

* Additions include assets acquired on slump sale basis from C-Edge; Automated Teller Machine INR 53,630,885; Site Interior & Other Merchandises INR 24,221,054; VSAT INR 5,542,295; Air Conditioner INR 4,983,019 (refer note 38).



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 21: Revenue from Operations

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income from ATM Services (net of GST & Service tax)	2,194,291,420	1,813,103,920
Total	2,194,291,420	1,813,103,920

Note 22: Other Income

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest on Fixed Deposit	19,445,841	37,449,338
Interest on Income tax refund	5,215,955	-
Profit on Sale and Lease back	14,352,240	14,352,240
Net gain on Sale of current investment	75,033,075	41,348,197
Foreign Exchange Gain on Consolidation	177,004	
Other Income	33,517	66,637
Total	114,257,632	93,216,412

Note 23: Employee Benefits Expense

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salary, wages & bonus	192,749,217	162,425,160
Contribution to Provident Fund (Refer Note 28(A))	8,048,604	6,469,586
Gratuity expense (Refer Note 28(B))	3,019,362	3,125,252
Expense on employee stock options (ESOP) scheme (Refer Note 35)	2,568,888	2,967,864
Staff welfare expenses	12,358,283	14,872,491
Total	218,744,354	189,860,353

Note 24: Finance Costs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest on Borrowings	85,597,946	103,965,923
Interest on Finance Lease	46,209,655	82,082,792
Loan Processing Fees	9,400,000	6,718,758
Interest on delayed payment of taxes	2,355,417	1,241,032
Total	143,563,018	194,008,505

Note 25: Operating Expenses

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Annual Maintenance Charges	155,393,420	105,555,684
Caretaker Charges	56,519,522	8,143,414
Consumables Charges	23,516,896	35,181,546
Cash Replenishment Charges	473,218,573	394,693,304
Management Service Charges	25,464,199	19,914,489
Site Electricity	153,395,960	124,718,933
Site Housekeeping Satellite (YSAT) Charges	43,714,564	28,541,294
Site Rent	38,428,039	30,444,738

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Other Operating Charges	37,739,828	7,012,118
UPS Rental charges	83,429,225	41,048,079
Insurance Premium	34,633,055	28,378,702
Repairs Charges - Sites	63,148,404	69,176,108
Shifting Charges -Sites	4,906,576	2,119,159
Total	1,485,676,516	1,108,504,030

Note 26: Other General Expenses

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Professional and Consultancy Charges	65,980,854	39,276,374
Rates and Taxes	17,790,170	36,712,440
Rent Charges	23,427,854	12,920,170
Payment to auditor (Refer Note (i) below)	3,400,000	3,050,000
Bank Charges and Commission	7,504,227	2,317,526
Insurance Charges	979,473	104,556
Power and Fuel Expenses	2,000,598	2,958,910
Repairs and Maintenance	5,350,455	2,850,831
Telecom Expenses	3,667,883	4,974,574
Travelling and Conveyance Expenses	7,587,859	8,805,785
Business Promotion Expenses	6,704,016	4,163,114
Meeting Expenses	41,077	454,511
Membership and Registration Charges	1,761,271	2,022,586
Office Expenses	6,880,383	4,850,464
Postage and Courier	613,147	615,014
Printing and Stationery	2,478,603	1,333,048
Motor Car Expenses	421,739	633,045
Loss on Theft/Damage/Write-off of Fixed Assets	22,717,317	7,640,508
Provision for doubtful debts	9,695,667	-
Bad Debts and allowances for doubtful balances	9,217,937	5,117,275
Insurance claim written off	8,562,865	5,833,817
Provision for Contingencies - Electricity (Refer Note 36)	24,098,839	41,402,318
Lease Rentals (Refer Notes 31(ii))	4,189,385	3,319,062
Miscellaneous Expenses	4,340,481	1,185,960
Total	239,412,100	192,541,888

Note 26-(i) Payments to the auditor comprise

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) To Statutory Auditor		
For Audit	3,400,000	3,000,000
For Certificate		50,000
For Other Services		
Total	3,400,000	3,050,000

**Note 26-(ii) Amount Paid in Foreign Currency**

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Amount spent in foreign currency	610,752	3,853,571
Total	610,752	3,853,571

Note 27: Contingent Liabilities and Commitments (to the extent not provided for):

(a) Contingent liabilities

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Claims against the Company not acknowledged as debt		
Service Tax	28,536,936	28,536,936
Local Body Tax		194,800

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

(b) Commitments

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not accounted for	1,816,100	1,152,367

Note 28: 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 7,306,013/- (INR 6,469,586/-) 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, 2018	For the year ended 31st March, 2017
I. Actuarial assumptions:		
Salary Escalation*	10.00 % p.a.	10.00 % p.a.
Expected Return on Plan Assets**		N/A
Discount Rate***	7.83 % p.a.	7.34 % p.a.
Attrition Rate	2.5% p.a. for all service groups	2.5% p.a. for all service groups
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	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 balance sheet date for the estimated term of the obligations		
II. Table showing change in Benefit Obligation:		
Liability at the beginning of the year	9,450,952	6,325,700
Interest cost	693,700	511,117
Current service cost	3,130,972	1,847,970
Past service cost (vested benefits)	1,423,815	
Benefits paid	(335,646)	
Actuarial (gain)/ loss on obligation	(2,229,125)	766,165
Liability at the end of the year	12,134,668	9,450,952
III. Fair value of Plan Assets:		
IV. Actual return on Plan Assets:		
V. Amount Recognised in the Balance Sheet		
Present value of benefit obligation	(12,134,668)	(9,450,952)
Net asset/ (liability) recognised in the balance sheet	(12,134,668)	(9,450,952)
VI. Percentage of each category of Plan assets to total fair value of Plan Assets	Not Applicable	Not Applicable
VII. Expenses recognized in the Statement of Profit & Loss:		
Current service cost	3,130,972	1,847,970
Interest cost	693,700	511,117
Actuarial (gains)/losses	(2,229,125)	766,165
Past service cost (vested benefits) recognised during the period	1,423,815	
Expenses recognized in Statement of Profit and Loss	3,019,362	3,125,252
VIII. Balance Sheet Reconciliation		
Opening net liability	9,450,952	6,325,700
Benefits paid	(335,646)	
Expense as above	3,019,362	3,125,252
Net Liability / (Asset) recognised in Balance Sheet	12,134,668	9,450,952



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 29: Segmental 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 Companies Act 2013, the Management is of the opinion that the Company's operations comprise of only 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 30: Related party transactions

1. Details of related parties:

Description of relationship	Names of related parties
Key Managerial Personnel (KMP) & their relatives	
Managing Director	Mr. Mani Mamallan
Executive Director	Mr. Sanjay Kapoor
President HR & Admin	Mrs. Vidya Rani Mani Mamallan

2. Details of related party transactions during the year ended 31st March, 2018 and outstanding balances as at 31st March, 2018:

Particulars	KMP
Receiving of Services	
Remuneration paid	17,653,868
	(17,523,489)
Perquisites Paid	1,329,996
	(1,136,976)
Balance outstanding at the end of the year	795,417
Loans & Advances	(824,720)

Note : Figures in bracket are of previous year.

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 31: Details of leasing arrangements

Particulars	For the year ended 31st March, 2018	For the year ended 31st March 2017
As Lessee		
(i): Finance Lease Obligations		
The Company has entered into finance lease arrangements for certain Site Assets, which provide the Company an option to purchase such assets at the end of the lease period.		
In certain finance lease, the title/ownership shall not be transferred at end of the lease term.		
The lease agreement is non-cancellable until its full tenure and the extension beyond the lease term would be at mutually agreeable terms and condition.		
Reconciliation between the total of minimum lease payments at the balance sheet date and their present value:		
Future minimum lease payments		
not later than one year	146,165,000	276,240,078
later than one year and not later than five years	58,056,278	234,323,863
later than five years		
Unmatured finance charges	(21,377,765)	(131,611,758)
	182,843,513	378,952,183
Present value of minimum lease payments payable		
not later than one year	129,430,645	199,992,500
later than one year and not later than five years	53,412,868	178,959,683
later than five years		
	182,843,513	378,952,183
(ii): Operating Lease Obligations		
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.		
The Company has entered into operating lease agreement for office premises. The lease has a lock-in-period for 3 years till date 31st May 2020 and may be renewed based on mutual agreement of the parties.		
Future minimum lease payments		
not later than one year	24,315,013	2,861,065
later than one year and not later than five years	39,658,861	3,321,391
later than five years		
	63,973,874	6,182,456
Lease payments recognised in the Statement of Profit and Loss		
- Office Rentals	14,782,860	
- Car Rentals	4,189,385	3,319,062



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
Notes to the Consolidated Financial Statements

Note 32: Earnings per share

Particulars	For the year ended 31st March, 2018	For the year ended 31st March 2017
Net profit / (loss) after tax for the year	(262,269,226)	(179,486,170)
Net profit / (loss) after tax for the year for computation of		
Earnings per share	(262,269,226)	(179,486,170)
Weighted average number of equity shares	699,788	569,677
Par value per share	10	10
Loss per share from continuing operations - Basic & Diluted	(375)	(315)

Note: The effect of conversion of preference shares and exercise of ESOP option is anti-dilutive.

Note 33: Deferred Tax

Particulars	For the year ended 31st March, 2018	For the year ended 31st March 2017
Deferred Tax Liability		
Expenses Allowed Under Income Tax Act	103,715	2,024,242
Depreciation on Fixed Assets		
Total (A)	103,715	2,024,242
Deferred Tax Asset		
Expenses Disallowed Under Income Tax Act	6,792,604	2,544,541
Depreciation on Fixed Assets	22,806,728	1,699,697
Finance Leased Assets	4,438,172	21,037,103
Carried forward Losses	128,111,451	158,787,922
Total (B)	162,148,955	184,069,262
Net Deferred Tax Asset / (Liability)	162,045,240	182,045,020

The Company has not recognised net deferred tax asset as there is 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 Accounting Standard 22, specified under section 133 of The Companies Act 2013.

Note 34: 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 35: Employee Stock Option Scheme

In the Extra Ordinary general meeting held on 12th August, 2014, the shareholders 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 Scheme 2014 allows the issue of options to employees of the Company. Each option comprises one underlying equity share.

As per the Scheme, the board of directors grants the options to the employees deemed eligible. The exercise price of each option shall be Rs 10/- as defined in the Scheme. The vesting periods are

- in respect of 16,800 options granted in September 2014 over a period of one year from the date of grant

- in respect of 1,300 options granted in January 2016 -

(i) 50% at end of 24th month (ii) 25% at end of 37th month (iii) 25% at end of 49th month. Options may be exercised within 60 months from the date of vesting.

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

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Particulars (Scheme name: EPS ESOP 2014)	During the year ended 31st March, 2018	
	Options (Numbers)	Weighted average exercise price per option (INR)
Option outstanding at the beginning of the year:	1,300	10
Granted during the year:		
Vested during the year:	650	10
Exercised during the year:		
Lapsed during the year:		10
Options outstanding at the end of the year:	650	10
Options available for grant:	800	10

Weighted average remaining contractual life for options is 16.5 months outstanding as at 31 March, 2018.

Particulars (Scheme name: EPS ESOP 2014)	During the year ended 31st March, 2017	
	Options (Numbers)	Weighted average exercise price per option (INR)
Option outstanding at the beginning of the year:	1,300	10
Granted during the year:		
Vested during the year:		10
Exercised during the year:		
Lapsed during the year:		10
Options outstanding at the end of the year:	1,300	10
Options available for grant:	800	10

Weighted average remaining contractual life for options is 18.5 months outstanding as at 31 March, 2017.

The company believes that the fair valuation of options will not materially change the net income and accordingly the impact on earnings per share. Hence the assumption used for calculating fair value and its impact on earning per share is not disclosed.

16650 options vested on 4th September 2015 are eligible for exercise till 4th September 2020. 650 options vested on 13th January 2018 are eligible for exercise till 13th January 2023.

Note 36: Provision for Contingencies

The Company carries a Provision for Contingencies towards loss on account of cash theft 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, 2018	For the year ended 31st March 2017
Provision for cash loss		
Opening balance	47,510,200	47,510,200
Addition during the year		
Closing balance (A)	47,510,200	47,510,200
Provision for electricity		
Opening balance	73,549,853	32,147,535
Addition during the year	24,098,839	41,402,318
Closing balance (B)	97,648,692	73,549,853
Closing Balance (A+B)	145,158,892	121,060,053



ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

Notes to the Consolidated Financial Statements

Note 37: The Company does not meet the threshold criteria established under section 135 of the Companies Act 2013 for CSR activities and accordingly, no CSR activities have been undertaken by the Company during the current and previous year.

Note 38: Note on SBI Total Outsourcing Model ("SBI TOM") portfolio acquisition (from C-Edge)

Through a Business Transfer Agreement dated 1st August 2017 between the Company and C-Edge Technologies Limited ("C-Edge"), the Company has acquired the C-Edge's ATM Business Undertaking for deployment of ATMs for State Bank of India (SBI) on total outsourcing model (TOM), as a going concern on a slump sale basis. The terms and conditions of the business transfer has been confirmed by Adoption and Confirmation Agreement dated 15th September 2017 between EPS, SBI and C-Edge. As per this agreement, EPS has adopted and accepted the initial agreement between C-Edge and SBI as a binding document and that the business transfer date is recorded at 15th September 2017. Further, the term as set out in the confirmation agreement is for a period of about 3 years i.e. from 15th September 2017 to 31st July 2020 and the Bank may, at its discretion, renew it for a period of three years.

The Company has paid a lump sum consideration amounting to INR 74,999,999 in respect of the business transfer. The consideration has been apportioned to various items of assets on the basis of their respective fair values at the date of acquisition determined by an independent valuer. The resultant difference of INR 13,377,254 between the purchase consideration and asset value has been credited to the Capital Reserve

Note 39: Note on merger of EPS ATM

The Scheme of Amalgamation (the "Scheme") amongst Electronic Payment and Services Private Limited ('EPS') and EPS ATM Services Private Limited ('EPS ATM') was approved by the National Company Law Tribunal ('NCLT') at Mumbai Bench vide its order no. Order CSP No. 540 of 2017 in CSA No. 230 of 2017, delivered on 30th November 2017, the scheme came into effect from its appointed date i.e. 1st April, 2016 and was operationalised on 19th February, 2018. EPS ATM Services Private Limited ('EPS ATM') was incorporated with an objective of executing the contracts for the deployment of ATMs on an outsourcing model for 26 Public sector Banks in the state of Maharashtra. EPS ATM became the wholly owned subsidiary of EPS on 31st December 2015.

In accordance with Scheme:

- a. EPS ATM stands dissolved without winding up with effect from the appointed date 1st April 2016.
- b. All assets, liabilities and reserves & surplus have been deemed to be transferred to EPS with effect from 1st April 2016
- c. EPS ATM being the wholly owned subsidiary of EPS, accordingly no shares were issued and allotted by EPS for the purpose of amalgamation.

The amalgamation has been accounted under the "Pooling of Interests" method as envisaged in Accounting Standards (AS) - 14 on Accounting for Amalgamation specified in Companies (Accounting Standard) Rules 2006, whereby:

1. In accordance with the Scheme, the assets, liabilities and reserves of EPS ATM have been recorded at their book values. Further, equity share capital and investments in the equity shares of EPS ATM has been eliminated and resultant balance amount of INR 290,988,153, has been set off and deducted from the securities premium account of EPS as the order of the NCLT approving the Scheme, as legally advised, has been deemed to be the order under Section 66(3) of the Companies Act, 2013 confirming reduction as an integral part of the Scheme.
2. The accumulated profits of EPS ATM upto the appointed date and from 1st April 2016 to 31st March 2017 of INR 5,535,449 have been transferred to the Surplus in Profit and Loss of the Company under Reserves and Surplus. The operations of EPS ATM during the year have been accounted for in the current year's Statement of Profit and Loss of the Company.
3. In terms of the Scheme inter-company balances (payables, receivables, loans, advances, etc) between EPS ATM and EPS (after giving effect of amalgamation) as at appointed date have been cancelled.

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED
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Note 40: Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Particulars	Net assets, i.e., total assets minus total liabilities as on 31st March 2018							
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent								
Electronic Payment and Services Private Limited	99.96%	1,610,089,549	100.00%	2,142,218,083	100.13%	(262,621,972)	100.00%	(179,486,170)
Subsidiary Australian								
Electronic Payment Australia PTY Ltd**	0.04%	723,465	0.00%		-0.13%	352,746	0.00%	
Total	100.00%	1,610,813,014	100.00%	2,142,218,083	100.00%	(262,269,226)	100.00%	(179,486,170)

* Previous year amounts include the Net Assets and Share of Profit or Loss of EPS ATM Services Private Limited which has been amalgamated with the Parent pursuant to the Scheme of Amalgamation (refer Note 39)

** Company having 30th June as the reporting date.

Note 41: The Group does not meet the threshold criteria established under section 135 of the Companies Act 2013 for CSR activities and accordingly, no CSR activities have been undertaken by the Company during the current and previous year.

Note 42: 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 : 20th August 2018
Place : Mumbai

Mani Mamallan

Chairman & Managing Director
DIN: 03584512
Date : 20th August 2018
Place : Mumbai

Pooja Panvelkar

Company Secretary
Date : 20th August 2018
Place : Mumbai

Farroukh Kolah

Chief Financial Officer
Date : 20th August 2018
Place : Mumbai



ELECTRONIC PAYMENT AND SERVICES (P) LTD™

A payment system company

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