(Please scan this QR Code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated May 28, 2022
Please read Section 32 of the Companies Act, 2013
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
100% Book Built Offer

PayMate

PAYMATE INDIA LIMITED

CORPORATE IDENTITY NUMBER: U72200MH2006PLC205023

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
No. 111, 1st Floor, 'A' Wing, Sundervilla, S. V. Road, Santacruz (West), Mumbai 400 054, Maharashtra, India	Nanda Harish *Company Secretary and Compliance Officer*	**E-mail**: legal@paymate.co.in **Telephone**: +91 22 2661 6170	www.paymate.in

OUR PROMOTERS: AJAY ADISESHAN AND VISHVANATHAN SUBRAMANIAN

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs, RIIs AND ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	[•] Equity Shares aggregating up to ₹11,250.00 million	[•] Equity Shares aggregating up to ₹3,750.00 million	Up to ₹15,000.00 million	This Offer is being made in terms of Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), as our Company did not fulfil requirements under Regulation 6(1) of the SEBI ICDR Regulations. For details of share reservation among QIBs, NIIs, RIIs and Eligible Employees see "*Offer Structure*" on page 324.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS* AND THEIR RESPECTIVE WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT IN ₹	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)	NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT IN ₹	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)
Ajay Adiseshan	Promoter	[•] Equity Shares aggregating up to ₹1,347.29 million	[•]	IPO Wealth Holdings Pty Ltd (in liquidation and acting through its liquidators, Hamish Alan Mackinnon and Nicholas Giasoumi of Dye & Co. Pty Ltd)	Investor	[•] Equity Shares aggregating up to ₹170.13 million#	[•]
Vishvanathan Subramanian	Promoter	[•] Equity Shares aggregating up to ₹32.88 million	[•]	G. Adhiseshann	Promoter Group	[•] Equity Shares aggregating up to ₹19.55 million#	[•]
Lightbox Ventures I	Investor	[•] Equity Shares aggregating up to ₹1,273.78 million#	[•]	Uma Vishvanathan	Promoter Group	[•] Equity Shares aggregating up to ₹114.51 million	[•]
Mayfield FVCI, Ltd.	Investor	[•] Equity Shares aggregating up to ₹156.61 million#	[•]	Dhruv Pratap Singh	Other	[•] Equity Shares aggregating up to ₹153.66 million	[•]
RSP India Fund. LLC	Investor	[•] Equity Shares aggregating up to ₹27.41 million#	[•]	Probir Kumar Roy	Other	[•] Equity Shares aggregating up to ₹265.61 million	[•]

**For the complete list of Selling Shareholders, see "The Offer" on page 64.*

#As on the date of this Draft Red Herring Prospectus, all/ certain portion of the Offered Shares held by the Selling Shareholder are held in the form of FCPS and/ or NCPCCPS and will be converted into Equity Shares prior to filing of the Red Herring Prospectus with the RoC.

(Please scan this QR Code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated May 28, 2022
Please read Section 32 of the Companies Act, 2013
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
100% Book Built Offer

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹1 each. The Floor Price, the Cap Price and the Offer Price to be determined by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "*Basis for Offer Price*" on page 108 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 26.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Red Herring Prospectus, as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only such statements made by them in this Draft Red Herring Prospectus to the extent such information specifically pertains to such Selling Shareholder and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements made in this Draft Red Herring Prospectus, including any of the statements made by or relating to our Company or any other Selling Shareholder.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being NSE and BSE. For the purpose of the Offer, [•] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

Name of the BRLM	Contact Person	Email and Telephone	Name of the BRLM	Contact Person	E-mail and Telephone
ICICI Securities Limited	Sumit Singh/ Rupesh Khant	**Tel**: +91 22 6807 7100 **E-mail**: paymate.ipo@icicisecurities.com	**HSBC Securities and Capital Markets (India) Private Limited**	Rishi Tiwari/ Sanjana Maniar	**Tel**: +91 22 2268 5555 **E-mail**: paymateipo@hsbc.co.in
JM Financial Limited	Prachee Dhuri	**Tel**: +91 22 6630 3030 **E-mail**: paymate.ipo@jmfl.com	**SBI Capital Markets Limited**	Janvi Talajia/ Aditya Deshpande	**Tel**: +91 22 4006 9807 **E-mail**: paymate.ipo@sbicaps.com

REGISTRAR TO THE OFFER

Link Intime India Private Limited	**Contact Person:** Shanti Gopalkrishnan	**Tel:** +91 22 4918 6200 **Email:** paymate.ipo@linkintime.co.in

BID/OFFER PERIOD

ANCHOR INVESTOR BID/OFFER PERIOD*	[•]	**BID/OFFER OPENS ON***	[•]	**BID/OFFER CLOSES ON****	[•]

**Our Company, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
***Our Company, in consultation with the Book Running Lead Managers, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

DRAFT RED HERRING PROSPECTUS
Dated May 28, 2022
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

PAYMATE INDIA LIMITED

Our Company was originally incorporated on May 12, 2006 at Chennai, India as 'PayMate India Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Tamil Nadu at Chennai. Pursuant to a special resolution passed by the Shareholders of our Company, which was confirmed by an order of the Company Law Board dated April 30, 2010, the registered office of the Company was shifted from the state of Tamil Nadu to the state of Maharashtra and a certificate of registration of the Company Law Board order for change of state dated June 29, 2010 was issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Subsequently, our Company was converted into a public limited company and consequently the name of our Company was changed to 'PayMate India Limited' pursuant to a special resolution passed by the Shareholders and a fresh certificate of incorporation dated March 7, 2022 was issued by the RoC. For details of the change in the name and the registered office address of our Company, see "*History and Certain Corporate Matters*" on page 177.

Corporate Identity Number: U72200MH2006PLC205023
Registered and Corporate Office: No. 111, 1st Floor, 'A' Wing, Sundervilla, S. V. Road, Santacruz (West), Mumbai 400 054, Maharashtra, India; **Tel:** +91 22 2661 6170
Contact Person: Nanda Harish, Company Secretary and Compliance Officer
E-mail: legal@paymate.co.in; **Website**: www.paymate.in

OUR PROMOTERS: AJAY ADISESHAN AND VISHVANATHAN SUBRAMANIAN

INITIAL PUBLIC OFFERING OF [•] EQUITY SHARES BEARING FACE VALUE OF ₹1 EACH ("EQUITY SHARES") OF PAYMATE INDIA LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹15,000.00 MILLION COMPRISING A FRESH ISSUE OF [•] EQUITY SHARES AGGREGATING UP TO ₹11,250.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹3,750.00 MILLION, COMPRISING [•] EQUITY SHARES AGGREGATING UP TO ₹1,347.29 MILLION BY AJAY ADISESHAN, [•] EQUITY SHARES AGGREGATING UP TO ₹32.88 MILLION BY VISHVANATHAN SUBRAMANIAN (AJAY ADISESHAN AND VISHVANATHAN SUBRAMANIAN, TOGETHER REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDERS"), [•] EQUITY SHARES AGGREGATING UP TO ₹1,273.78 MILLION BY LIGHTBOX VENTURES I, [•] EQUITY SHARES AGGREGATING UP TO ₹156.61 MILLION BY MAYFIELD FVCI, LTD., [•] EQUITY SHARES AGGREGATING UP TO ₹27.41 MILLION BY RSP INDIA FUND. LLC AND [•] EQUITY SHARES AGGREGATING UP TO ₹170.13 MILLION BY IPO WEALTH HOLDINGS PTY LTD (IN LIQUIDATION AND ACTING THROUGH ITS LIQUIDATORS, HAMISH ALAN MACKINNON AND NICHOLAS GIASOUMI OF DYE & CO. PTY LTD) ("IPO WEALTH HOLDINGS") (LIGHTBOX VENTURES I, MAYFIELD FVCI, LTD., RSP INDIA FUND. LLC AND IPO WEALTH HOLDINGS, ARE COLLECTIVELY REFERRED TO AS THE "INVESTOR SELLING SHAREHOLDERS"), [•] EQUITY SHARES AGGREGATING UP TO ₹19.55 MILLION BY G. ADHISESHANN, [•] EQUITY SHARES AGGREGATING UP TO ₹114.51 MILLION BY UMA VISHVANATHAN, [•] EQUITY SHARES AGGREGATING UP TO ₹153.66 MILLION BY DHRUV PRATAP SINGH, [•] EQUITY SHARES AGGREGATING UP TO ₹265.61 MILLION BY PROBIR KUMAR ROY, [•] EQUITY SHARES AGGREGATING UP TO ₹132.70 MILLION BY ALEXANDER KURUVILLA AND [•] EQUITY SHARES AGGREGATING UP TO ₹55.87 MILLION BY ANAND RAJARAMAN (G. ADHISESHANN, UMA VISHVANATHAN, DHRUV PRATAP SINGH, PROBIR KUMAR ROY, ALEXANDER KURUVILLA AND ANAND RAJARAMAN, ARE COLLECTIVELY REFERRED TO AS THE "OTHER SELLING SHAREHOLDERS" AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS AND THE INVESTOR SELLING SHAREHOLDERS ARE REFERRED TO AS THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES CUMULATIVELY OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES") ("OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER INCLUDES A RESERVATION OF UP TO [•] EQUITY SHARES, AGGREGATING UP TO ₹[•] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES NOT EXCEEDING 5% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [•]% AND [•]%, RESPECTIVELY, OF THE FULLY DILUTED POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY MAY, AT ITS DISCRETION, CONSIDER ISSUING EQUITY SHARES ON A PRIVATE PLACEMENT BASIS FOR CASH CONSIDERATION AGGREGATING UP TO ₹2,250.00 MILLION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC (THE "PRE-IPO PLACEMENT"). THE PRICE OF THE EQUITY SHARES ALLOTTED PURSUANT TO THE PRE-IPO PLACEMENT SHALL BE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (THE "SCRR").

THE FACE VALUE OF THE EQUITY SHARES IS ₹1 EACH AND THE OFFER PRICE IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DETERMINED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN [•] EDITIONS OF THE [•] (A WIDELY CIRCULATED ENGLISH NATIONAL NEWSPAPER), [•] EDITIONS OF [•] (A WIDELY CIRCULATED HINDI NATIONAL NEWSPAPER) AND [•] EDITIONS OF [•] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE THE REGISTERED AND CORPORATE OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE" AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").

In case of a revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. In case of force majeure, banking strike or similar circumstances, our Company may, in consultation with the Book Running Lead Managers, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be allotted on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such category the "**QIB Category**"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category. Post allocation to the Anchor Investors, the QIB Category will be reduced by such number of Equity Shares. Further, 5% of the QIB Category (excluding Anchor Investor Portion) ("**Net QIB Category**") shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Category, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Category for proportionate allocation to QIBs. Further, not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids being received from them at or above the Offer Price. All Bidders (other than Anchor Investors) shall mandatorily participate in this Offer through the Application Supported by Block Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID for UPI Bidders (*as defined below*)) in which the Bid Amount will be blocked by the Self-Certified Syndicate Banks ("**SCSBs**") or under the UPI Mechanism, as applicable. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, see "*Offer Procedure*" on page 328.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹1 each. The Floor Price, the Cap Price and the Offer Price should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 26.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only such statements confirmed or undertaken by such Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements pertain to such Selling Shareholder and/or its respective portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. Each Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholder.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. We have received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [•] and [•], respectively. For the purpose of the Offer, [•] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with the Companies Act, 2013. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 364.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Tel:** +91 22 6807 7100 **E-mail**: paymate.ipo@icicisecurities.com **Investor Grievance E-mail**: customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact Person:** Sumit Singh/ Rupesh Khant **SEBI Registration No:** INM000011179	**HSBC Securities and Capital Markets (India) Private Limited** 52/60, Mahatma Gandhi Road, Fort Mumbai 400 001, Maharashtra, India **Tel**: +91 22 2268 5555 **E-mail**: paymateipo@hsbc.co.in **Investor Grievance E-mail**: investorgrievance@hsbc.co.in **Website**: www.business.hsbc.co.in/en-gb/in/generic/ipo-open-offer-and-buyback **Contact Person**: Rishi Tiwari/ Sanjana Maniar **SEBI Registration No**.: INM000010353	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Tel:** +91 22 6630 3030 **E-mail:** paymate.ipo@jmfl.com **Investor Grievance E-mail:** grievance.ibd@jmfl.com **Website:** www.jmfl.com **Contact Person:** Prachee Dhuri **SEBI Registration No.:** INM000010361	**SBI Capital Markets Limited** 202, Maker Tower "E" Cuffe Parade Mumbai 400 005 Maharashtra, India **Tel:** +91 22 4006 9807 **E-mail:** paymate.ipo@sbicaps.com **Investor Grievance E-mail:** investor.relations@sbicaps.com **Website:** www.sbicaps.com **Contact Person:** Janvi Talajia/ Aditya Deshpande **SEBI Registration No.:** INM000003531	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L. B. S. Marg, Vikhroli West Mumbai 400 083 Maharashtra, India **Tel:** +91 22 4918 6200 **E-mail:** paymate.ipo@linkintime.co.in **Investor grievance E-mail**: paymate.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No:** INR000004058

BID/OFFER PERIOD

BID/OFFER OPENS ON(1)	[•]	BID/OFFER CLOSES ON(2)	[•]

(1) *Our Company, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

(2) *Our Company, in consultation with the Book Running Lead Managers, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(This page is intentionally left blank)

TABLE OF CONTENTS

SECTION I - GENERAL....1
DEFINITIONS AND ABBREVIATIONS....1
SUMMARY OF THE OFFER DOCUMENT....13
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION....20
NOTICE TO PROSPECTIVE INVESTORS....23
FORWARD-LOOKING STATEMENTS....24
SECTION II - RISK FACTORS....26
SECTION III - INTRODUCTION....64
THE OFFER....64
SUMMARY FINANCIAL INFORMATION....67
GENERAL INFORMATION....70
CAPITAL STRUCTURE....79
OBJECTS OF THE OFFER....98
BASIS FOR OFFER PRICE....108
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS....110
SECTION IV- ABOUT OUR COMPANY....116
INDUSTRY OVERVIEW....116
OUR BUSINESS....152
KEY REGULATIONS AND POLICIES....174
HISTORY AND CERTAIN CORPORATE MATTERS....177
OUR MANAGEMENT....194
PROMOTERS AND PROMOTER GROUP....208
OUR GROUP COMPANY....211
DIVIDEND POLICY....213
SECTION V - FINANCIAL INFORMATION....214
FINANCIAL STATEMENTS....214
OTHER FINANCIAL INFORMATION....273
CAPITALISATION STATEMENT....275
FINANCIAL INDEBTEDNESS....276
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS....277
SECTION VI - LEGAL AND OTHER INFORMATION....300
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS....300
GOVERNMENT AND OTHER APPROVALS....304
OTHER REGULATORY AND STATUTORY DISCLOSURES....305
SECTION VII - OFFER RELATED INFORMATION....318
TERMS OF THE OFFER....318
OFFER STRUCTURE....324
OFFER PROCEDURE....328
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES....348
SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION....349
SECTION IX - CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS....359
SECTION X - OTHER INFORMATION....364
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION....364
DECLARATION....366

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meanings as provided below. References to any statute or rules or guidelines or regulations or policies or Articles of Association or Memorandum of Association will include any amendments, clarifications, modifications, replacements or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

Unless the context otherwise indicates, all references to "the Company", and "our Company", are references to PayMate India Limited, a public limited company incorporated in India under the Companies Act, 1956, with its Registered and Corporate Office at No. 111, 1st Floor, 'A' Wing, Sundervilla, S. V. Road, Santacruz (West) Mumbai 400 054, Maharashtra, India. Furthermore, unless the context otherwise indicates, all references to the terms "we", "us" and "our" are to our Company, on a consolidated basis.

Notwithstanding the foregoing, terms used in the chapters/ sections "Statement of Possible Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Financial Statements", "Basis for Offer Price", "Outstanding Litigation and Material Developments" and "Main Provisions of the Articles of Association" will have the meaning ascribed to such terms in these respective chapters/ sections.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

Company related terms

Term(s)	Description
"Articles of Association" or "Articles" or "AoA"	The articles of association of our Company
Audit Committee	The audit committee of the Board
BCCL	Bennett, Coleman and Company Limited
BCCL Advertisement Agreement	Advertisement agreement dated March 26, 2019 amended by way of the first amendment to advertisement agreement dated November 18, 2021 entered into between BCCL and our Company
BCCL SWSA	Share cum warrant subscription agreement dated March 26, 2019 entered into between our Company, Ajay Adiseshan, Probir Kumar Roy and BCCL, amended by way of the first amendment agreement dated July 18, 2019 entered into between our Company, our Promoters, Probir Kumar Roy and BCCL, and subsequently, the second amendment agreement dated August 16, 2021, the third amendment agreement dated March 15, 2022, the fourth amendment agreement dated March 24, 2022, and the fifth amendment agreement dated April 30, 2022, each entered into between our Company, our Promoters and BCCL
Bloom Ventures	Bloom Ventures Private Limited
"Board" or "Board of Directors"	The board of directors of our Company, or a duly constituted committee thereof
Chairman	The chairman of our Company being, Ajay Adiseshan
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company being, Vishvanathan Subramanian
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Nanda Harish
Director(s)	The director(s) on our Board. For details, see "*Our Management*" on page 194
Equity Shares	Unless the context otherwise requires, the equity shares of our Company bearing face value of ₹1 each
ESOP 2006	PayMate Employees Stock Option Plan, 2006, as amended from time to time, and as disclosed in "*Capital Structure – Notes to Capital Structure – Employee Stock Option Plan of our Company*" on page 95
Executive Director(s)	The executive Directors on the Board. For details, see "*Our Management*" on page 194
FCPS	Fully convertible preference shares of our Company
Group Company	Our group company, Bloom Ventures, as disclosed in "*Our Group Company*" on page 211
Independent Director(s)	The non-executive independent director(s) on our Board. For details, see "*Our Management*" on page 194
Investor Selling Shareholder(s)	Lightbox, Mayfield FVCI, Ltd., RSP India Fund. LLC and IPO Wealth Holdings

Term(s)	Description
IPO Committee	The IPO committee of the Board
IPO Wealth Holdings	IPO Wealth Holdings Pty Ltd (in liquidation and acting through its liquidators, Hamish Alan MacKinnon and Nicholas Giasoumi of Dye & Co Pty Ltd)
"Key Managerial Personnel" or "KMP"	The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as disclosed in "*Our Management*" on page 194
Lightbox	Lightbox Ventures I
Managing Director	The managing director of our Company, being Ajay Adiseshan
Materiality Policy	The policy adopted by our Board on May 25, 2022 for determining material outstanding litigation involving our Company, Promoters, Directors and Subsidiaries and outstanding dues to material creditors by our Company, in accordance with the disclosure requirements under the SEBI ICDR Regulations
"Memorandum of Association" or "Memorandum" or "MoA"	The memorandum of association of our Company
NCPCCPS	Non-cumulative participating compulsorily convertible preference shares of our Company
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as disclosed in "*Our Management*" on page 194
Nominee Director	The non-executive nominee Director on our Board
Non-executive Director(s)	The Nominee Director and Independent Directors on our Board
Other Selling Shareholders	G. Adhiseshann, Uma Vishvanathan, Dhruv Pratap Singh, Probir Kumar Roy, Alexander Kuruvilla and Anand Rajaraman
PayMate Fintech	Paymate Fintech (Private) Limited
PayMate LLC	PayMate Payment Services Provider L.L.C.
PayMate SHA	Investment cum shareholders' agreement dated August 16, 2021, by and amongst our Company, Mayfield FVCI, Ltd., Lightbox, IPO Wealth Holdings, 101 Investments Limited, RSP India Fund. LLC, Visa, Astor Management AG, Felicitas Equity Fund, LP, Felicitas Secondary Fund II, LP, CXI Valley I LLC, Anand Rajaraman, G. Adhiseshann, Ajay Adiseshan, Vishvanathan Subramanian, Rajat Yadav, Z2P Employees (as defined under Schedule I of the PayMate SHA), Z2P Investors (as defined under Schedule IA of the PayMate SHA), Dhruv Pratap Singh, Alexander Kuruvilla, Uma Vishvanathan and Probir Kumar Roy (collectively, the "**Initial Parties**") and Manjula Rajaram, as amended by way of an amendment and supplemental agreement dated March 3, 2022, by and amongst the Initial Parties, Samuel Fernandes, Gita Adiseshann, Anjana Vishvanathan and Shivank Vishvanathan (together with the Initial Parties, the "**Second Set of Parties**"), the second amendment and supplemental agreement dated April 26, 2022, by and amongst the Initial Parties, the Second Set of Parties and H. H. Prince Fahad Bin Abdullah Bin Mohammed Al Saud (together with the Initial Parties and the Second Set Parties, the "**Parties**") and the amendment and termination agreement dated May 27, 2022 entered into between the Parties
Promoters	Together, Ajay Adiseshan and Vishvanathan Subramanian
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Promoters and Promoter Group*" on page 208
Promoter Selling Shareholder(s)	Ajay Adiseshan and Vishvanathan Subramanian
Registered and Corporate Office	The registered and corporate office of our Company situated at No.111, 1st Floor, 'A' Wing, Sundervilla, S. V. Road, Santacruz (West), Mumbai 400 054, Maharashtra, India
Restated Financial Statements	The restated consolidated statement of assets and liabilities of the Company as at and for the nine months ended December 31, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flow, as at and for the nine months ended December 31, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the notes thereto, which have been prepared specifically for inclusion in this Draft Red Herring Prospectus in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations, and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Mumbai
Selling Shareholders	Collectively, the Promoter Selling Shareholders, the Investor Selling Shareholders and the Other Selling Shareholders
Shareholders	The holders of the Equity Shares, from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as disclosed in "*Our Management*" on page 194
Statutory Auditors	The current statutory auditors of our Company being, MSKA & Associates, Chartered Accountants

Term(s)	Description
Subsidiaries	The subsidiaries of our Company, PayMate, Inc. and PayMate LLC as disclosed in "*History and Certain Corporate Matters – Subsidiaries, joint ventures and associates*" on page 192
Subsidiary SHA	Share purchase and shareholders' agreement dated August 18, 2020 entered into by and among our Company, Easy Pay Trading Company and Prince Turki bin Fahad bin Abdullah Al Saud
UAE MOA	Memorandum of association dated December 24, 2018, by and between Ali Mohamed Abdalla Abdelkarim Alhammadi and our Company, read along with the addendum of amendment to the memorandum of association dated June 18, 2019, between Ali Mohamed Abdalla Abdelkarim Alhammadi and our Company
Visa	Visa International Service Association
Whole-time Director	The whole-time Director on our Board, being Vishvanathan Subramanian
Zaitech	Zaitech Technologies Private Limited
2020 Scheme	Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and each of their respective shareholders, sanctioned by NCLT, Mumbai by way of its order dated May 11, 2020 and as disclosed in "*History and Certain Corporate Matters - Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and their respective shareholders*" on page 189

Offer related terms

Term	Description
Abridged Prospectus	A memorandum containing such salient features of our Company's prospectus as specified under the SEBI ICDR Regulations
Acknowledgment Slip	The slip or document to be issued by the respective Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
"Allotted" or "Allotment" or "Allot"	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale, in each case to successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which allocation of the Equity Shares will be done to the Anchor Investors on the Anchor Investor Bidding Date in terms of the Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be determined by our Company in consultation with the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be determined by our Company in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company, in consultation with the Book Running Lead Managers, to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	The application (whether physical or electronic) by ASBA Bidders to make a Bid and authorising the relevant SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked by SCSBs upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism

Term	Description
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and will include the account of a UPI Bidder in which the Bid Amount is blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Refund Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 328
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of the Bids as indicated in the Bid cum Application Form and, in the case of RIIs and Eligible Employees Bidding under the Employee Reservation Portion, Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RII or Eligible Employee Bidding under the Employee Reservation Portion, and mentioned in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including an ASBA Form and the Anchor Investor Application Form, and which shall be considered as the application for the Allotment of Equity Shares pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[•] Equity Shares and in multiples of [•] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] editions of [•] (a widely circulated Hindi national daily newspaper) and [•] editions of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where the Registered and Corporate Office is located). Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations. In case of any revisions, the extended Bid/Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date will be published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] editions of [•] (a widely circulated Hindi national daily newspaper) and [•] editions of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where the Registered and Corporate Office is located)
Bid/Offer Period	Except in relation to Bids received from the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. In case of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days

Term	Description
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, being the Designated SCSB Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, being I-Sec, HSBC, JM and SBICAP
Broker Centres	Broker centres of the Registered Brokers, notified by the Stock Exchanges, where Bidders (other than Anchor Investors) can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, and which shall be at least 105% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, Syndicate Member(s) and the Banker(s) to the Offer for, *inter alia* collection of the Bid Amounts from Anchor Investors transfer of funds to the Public Offer Account and where applicable remitting refunds of the amounts collected from Bidders, if any, to such Bidders, on the terms and conditions thereof
Client ID	Client identification number of the Bidder's beneficiary account maintained with one of the Depositories
"Collecting Depository Participants" or "CDPs"	A depository participant, as defined under the Depositories Act and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 as per the list available on the respective websites of the Stock Exchanges, as updated from time to time and the SEBI UPI Circulars, issued by SEBI
"Collecting Registrar and Share Transfer Agents" or "CRTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 as per the list available on the respective websites of the Stock Exchanges, as updated from time to time and the SEBI UPI Circulars, issued by SEBI
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the Book Running Lead Managers, which shall be any price within the Price Band. Only Retail Individual Investors Bidding in the Retail Category and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable
Designated CDP Locations	Such locations of the CDPs where Bidders (except Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Date	The date on which the funds from the Escrow Account(s) are transferred by the Escrow Collection Bank(s) to the Public Offer Account or the Refund Account, as appropriate, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instructions issued through the Sponsor Bank(s)) for the transfer of the relevant amounts blocked in the ASBA Accounts to the Public Offer Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIIs and the Eligible Employees Bidding in the Employee Reservation Portion, by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and CRTAs.

Term	Description
	In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the CRTAs where Bidders (except Anchor Investors) can submit the ASBA Forms to the CRTAs. The details of such Designated RTA Locations, along with the names and contact details of the CRTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[•]
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated May 28, 2022 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, and includes any addenda or corrigenda thereto
Eligible Employees	Permanent employees, working in India or outside India, of our Company or the Subsidiaries, or a Director, whether whole-time or not, as of the date of the filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company or the Subsidiaries, respectively, or a Director until the submission of the ASBA Form, but not including (i) the Promoters; (ii) the members of the Promoter Group; or (iii) the Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares The initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000, however, an Eligible Employee may submit a Bid for a maximum Bid Amount of ₹500,000 under the Employee Reservation Portion. Only in the event of an under-subscription in the Employee Reservation Portion, the unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe to or purchase the Equity Shares offered thereby
Employee Reservation Portion	The portion of the Offer, being up to [•] Equity Shares aggregating up to ₹[•] million, not exceeding 5% of the post-Offer paid-up Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS or NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s), which are clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case, being [•]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	Fresh issue of [•] Equity Shares by our Company aggregating up to ₹11,250.00 million as part of the Offer, in terms of the Red Herring Prospectus and the Prospectus If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and SEBI UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
HSBC	HSBC Securities and Capital Markets (India) Private Limited
I-Sec	ICICI Securities Limited
JM	JM Financial Limited

Term	Description
Monitoring Agency	[•], being a credit rating agency registered with SEBI
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the Net QIB Category or [•] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer Expenses to the extent applicable to the Fresh Issue.
Net QIB Category	The portion of the QIB Category less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Category	The portion of the Net Offer, being not more than 15% of the Net Offer or [•] Equity Shares, which will be made available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
"Non-Institutional Investors" or "NIIs"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, or the Eligible Employees Bidding in the Employee Reservation Portion who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Offer	The initial public offering of [•] Equity Shares for cash at a price of ₹[•] each, aggregating up to ₹15,000.00 million comprising the Fresh Issue and the Offer for Sale
Offer Agreement	The agreement dated May 28, 2022 entered into among our Company, the Selling Shareholders and the Book Running Lead Managers, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of [•] Equity Shares aggregating up to ₹3,750.00 million by the Selling Shareholders
Offer Price	₹[•] per Equity Share, the final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus on the Pricing Date Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price
Offered Shares	[•] Equity Shares offered as part of the Offer for Sale aggregating up to ₹3,750.00 million, comprising [•] Equity Shares aggregating up to ₹1,347.29 million by Ajay Adiseshan, [•] Equity Shares aggregating up to ₹32.88 million by Vishvanathan Subramanian, [•] Equity Shares aggregating up to ₹1,273.78 million* by Lightbox, [•] Equity Shares aggregating up to ₹156.61 million* by Mayfield FVCI, Ltd., [•] Equity Shares aggregating up to ₹27.41 million* by RSP India Fund. LLC, [•] Equity Shares aggregating up to ₹170.13 million* by IPO Wealth Holdings, [•] Equity Shares aggregating up to ₹19.55 million* by G. Adhiseshann, [•] Equity Shares aggregating up to ₹114.51 million by Uma Vishvanathan, [•] Equity Shares aggregating up to ₹153.66 million by Dhruv Pratap Singh, [•] Equity Shares aggregating up to ₹265.61 million by Probir Kumar Roy, [•] Equity Shares aggregating up to ₹132.70 million by Alexander Kuruvilla and [•] Equity Shares aggregating up to ₹55.87 million* by Anand Rajaraman **As on the date of this Draft Red Herring Prospectus, all/ certain portion of the Offered Shares held by the Selling Shareholder are held in the form of FCPS and/ or NCPCCPS and will be converted into Equity Shares prior to filing of the Red Herring Prospectus with the RoC.*
Pre-IPO Placement	The private placement of Equity Shares for a cash consideration aggregating up to ₹2,250.00 million, which may be undertaken by our Company, at its discretion, in favour of such investors as permissible under applicable laws, to be completed prior to filing of the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus. The price of the Equity Shares allotted pursuant to the Pre-IPO Placement shall be determined by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR
Price Band	Price band ranging from a minimum price of ₹[•] per Equity Share (i.e., the Floor Price) to a maximum price of ₹[•] per Equity Share (i.e., the Cap Price), including revisions thereof, if any. The Price Band and the minimum Bid Lot will be determined by our Company, in consultation with the Book Running Lead Managers, and advertised in [•] editions of [•] (a

Term	Description
	widely circulated English national newspaper) [•] editions of [•] (a widely circulated Hindi national newspaper) and [•] editions of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where the Registered and Corporate Office is situated), at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the Book Running Lead Managers, shall finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, including any addenda or corrigenda thereto and containing the Offer Price, that is determined at the end of the Book Building Process, the size of the Offer and certain other information
Public Offer Account(s)	The 'no-lien' and 'non-interest bearing' bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with SEBI under the SEBI BTI Regulations and with whom the Public Offer Account is opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being [•]
QIB Category	The portion of the Net Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer, comprising [•] Equity Shares which shall be available for Allotment to QIBs (including Anchor Investors), on a proportionate basis, (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Managers), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
"Qualified Institutional Buyers" or "QIBs"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations which will not have complete particulars of the price at which the Equity Shares shall be Allotted and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus shall be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date
Refund Account(s)	The account(s) to be opened with the Refund Bank(s) from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The bank(s) which are clearing members registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [•]
Registered Brokers	Stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number no. CIR/CFD/14/2012 dated October 4, 2012 and the SEBI UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated May 27, 2022 entered into between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar to the Offer" or "Registrar"	Link Intime India Private Limited
Retail Category	Portion of the Net Offer being not more than 10% of the Offer consisting of [•] Equity Shares which shall be available for allocation to Retail Individual Investors (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot (subject to availability in the Retail Category), and the remaining Equity Shares to be Allotted on a proportionate basis
"Retail Individual Investors" or "RIIs"	Individual Bidders, other than Eligible Employees Bidding in the Employee Reservation Portion, whose Bid Amount for Equity Shares in the Offer is not more than ₹200,000 in any of the Bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIBs Bidding in the QIB Category and Non-Institutional Investors Bidding in the Non-Institutional Category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date
SBICAP	SBI Capital Markets Limited

Term	Description
SEBI UPI Circulars	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in relation thereto from time to time
"Self-Certified Syndicate Banks" or "SCSBs"	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as may be prescribed by SEBI and updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through the UPI Mechanism in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and are appearing in the "list of mobile applications for using UPI in public issues" displayed on SEBI website. The said list shall be updated on SEBI website
Share Escrow Agent	[•]
Share Escrow Agreement	The agreement to be entered into by and among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank(s)	Banker(s) to the Offer registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out any other responsibilities, in terms of the SEBI UPI Circulars, in this case being [•], [•], [•] and [•]
Stock Exchanges	BSE and NSE
"Syndicate" or "members of the Syndicate"	Collectively, the Book Running Lead Managers and the Syndicate Members
Syndicate Agreement	The agreement to be entered into among the members of the Syndicate, our Company, and the Selling Shareholders in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Merchant bankers or stock brokers registered with SEBI and permitted to carry out activities as an underwriter, in this case being [•]
Underwriters	[•]
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Underwriters, on or after the Pricing Date but before filing of the Prospectus with the RoC
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Investors in the Retail Category, (ii) Eligible Employees, under the Employee Reservation Portion, and (iii) Non-Institutional Investors with an application size of up to ₹500,000 in the Non-Institutional Category, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Collecting Registrar and Share Transfer Agents. Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 are required to use the UPI Mechanism and are required to provide their UPI ID in

Term	Description
	the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI linked mobile application as disclosed by the SCSBs on the website of SEBI and by way of a SMS directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI application, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Offer in accordance with the SEBI UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day(s)	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the SEBI UPI Circulars

Industry and business related terms

Term	Description
B2B	Business-to-business
B2C	Business-to-consumer
Customer	Customers who have entered into contracts with us, registered with us or downloaded our application for usage of service offerings on our ecosystem, platforms or mobile application
Enterprise Customers	Enterprises which subscribed to the enterprise plan on our platform
ERP system	Software used by organizations to manage day-to-day business activities such as accounting, procurement, project management, risk management and compliance, and supply chain operations
PayMate App	The PayMate mobile application
RedSeer Report	Report titled "*Opportunities in B2B Payments in India*" dated May 16, 2022 that has been prepared by RedSeer and specifically commissioned and paid for by our Company
RedSeer	RedSeer Management Consulting Private Limited
SME Customers	Small and medium enterprises which subscribed to the basic plan on our platform
TPV	Transaction processing volume, which is the rupee value of the total value of payments made through transactions on our platform over a period
USD	United States Dollar, the currency used in the industry overview section for depicting various market sizes at the exchange rate of 1 USD = ₹70. Although the currency rates may fluctuate from the one assumed in the RedSeer Report, RedSeer has maintained a standard practice of keeping the said currency rate to keep consistency across their historic data
User	Users who have made or received payments using our platform for payments without any contracts or registration with us or downloaded our application

Conventional and general terms and abbreviations

Term	Description
AED	United Arab Emirates Dirham
AIFs	Alternative Investment Funds
BSE	BSE Limited
Category I AIFs	AIFs registered as "Category I alternative investment funds" under the SEBI AIF Regulations
Category II AIFs	AIFs registered as "Category II alternative investment funds" under the SEBI AIF Regulations
Category III AIFs	AIFs registered as "Category III alternative investment funds" under the SEBI AIF Regulations
Category I FPIs	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II FPIs	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CEMEA	Central Europe, Middle East and Africa
CIN	Corporate Identity Number

Term	Description
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act, 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and amendments notified thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
Copyright Act	Copyright Act, 1957
COVID-19	The novel coronavirus disease, which is an infectious disease caused by a newly discovered coronavirus strain that was discovered in 2019 and has resulted in a global pandemic
CSR	Corporate social responsibility
Depositories Act	Depositories Act, 1996, read with the rules, regulations, amendments and modifications notified thereunder
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
"Depository Participant" or "DP"	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPS	Earnings per share
FATF	The Financial Action Task Force
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations notified thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year or Fiscal or FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI
GDP	Gross Domestic Product
"Government of India" or "Central Government" or "GoI"	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu undivided family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
"Ind AS" or "Indian Accounting Standards"	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 and read with the Ind AS Rules
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
"INR" or "Rupee" or "₹" or "Rs."	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
MCA	Ministry of Corporate Affairs, Government of India
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A.	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC-SI	Systemically important non-banking financial company defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations and covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations as a QIB
NCLT	National Company Law Tribunal

Term	Description
NEFT	National Electronic Fund Transfer
Net Worth	Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NPCI	National Payments Corporation of India
"NR" or "Non-Resident"	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs and FVCIs registered with SEBI
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA and which was de-recognised through the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Payment Aggregators Guidelines	Guidelines on Regulation of Payment Aggregators and Payment Gateways, dated March 17, 2020, issued by the RBI
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SAR	Saudi Riyal
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SMS	Short Message Service
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed pursuant to the SEBI AIF Regulations
State Government	The government of a state of India
STT	Securities Transaction Tax
TAN	Tax Deduction and Collection Account Number
UAE	United Arab Emirates
U. S. Securities Act	United States Securities Act, 1933
"US$" or "USD" or "US Dollar"	United States Dollar, the official currency of the United States of America
"USA" or "U.S." or "US"	United States of America
U.S. QIBs	"Qualified institutional buyers" as defined in Rule 144A. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs"
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of certain disclosures and the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "*Risk Factors*", "*The Offer*", "*Capital Structure*", "*Objects of the Offer*", "*Industry Overview*", "*Our Business*", "*Financial Statements*", "*Outstanding Litigation and Material Developments*", "*Offer Procedure*" and "*Main Provisions of the Articles of Association*" on pages 26, 64, 79, 98, 116, 152, 214, 300, 328 and 349, respectively.

Summary of our primary business

We are a leading* B2B payments and services provider that digitizes, automates and streamlines B2B payments in supply chains. We are a pioneer in the digital technology-based B2B payment services market. (*Source: RedSeer Report)*. Our platform is an integrated platform which includes multiple payment categories, providing a "fully-integrated" B2B payments stack to our Customers. As on December 31, 2021, we had 49,953 Customers, of which 480 were Enterprise Customers and 49,473 were SME Customers.

**In terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. (Source: RedSeer Report)*

Summary of the industry in which we operate

In India, B2B payments account for USD 8 trillion (around 2.4 times of India's GDP) which is majorly reliant on cash and cheque. According to RedSeer, it is expected that domestic B2B payments in India will increase from USD 7.5-7.8 trillion in Fiscal 2022 to USD 9-10 trillion in Fiscal 2026. While commercial credit cards occupy approximately 0.26% of B2B payment market, they have a huge addressable market size of approximately USD 500 billion. Further, tax payments by corporates in India payments give rise to approximately USD 248 billion of payments opportunity and are increasingly digitalized, accelerated by government push.

For further information, see "*Industry Overview*" and "*Our Business*" on pages 116 and 152, respectively.

Promoters

The Promoters are Ajay Adiseshan and Vishvanathan Subramanian. For further information, see "*Promoters and Promoter Group*" on page 208.

Offer size

The details in relation to the Offer is set forth below:

Offer	[•] Equity Shares aggregating up to ₹15,000.00 million
of which	
(i) Fresh Issue(1)(2)	[•] Equity Shares aggregating up to ₹11,250.00 million
(ii) Offer for Sale(3)	[•] Equity Shares aggregating up to ₹3,750.00 million
Employee Reservation Portion(4)	Up to [•] Equity Shares aggregating up to ₹[•] million
Net Offer	Up to [•] Equity Shares aggregating up to ₹[•] million

(1) The Offer has been authorized by a resolution dated March 23, 2022 passed by our Board and the Fresh Issue has been approved by a special resolution dated March 25, 2022 passed by our Shareholders.

(2) Our Company may, at its discretion, consider a Pre-IPO Placement aggregating to ₹2,250.00 million, prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

(3) Each of the Selling Shareholders has specifically confirmed that its respective portion of the Offered Shares is eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. For details on the authorisation of each of the Selling Shareholders in relation to the Offered Shares, see "The Offer" on page 64.

(4) The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital.

The Offer and the Net Offer shall constitute [•]% and [•]%, respectively of the fully diluted post-Offer paid up Equity Share capital of our Company. For further details, see "*The Offer*" and "*Offer Structure*" on pages 64 and 324, respectively.

Objects of the Offer

The details regarding the use of the Net Proceeds is set forth below:

(in ₹ million)

Particulars	Amount*
Investment for expanding our business into new geographies	770.00
Pursuing inorganic initiatives^	2,280.00
Placing cash as collateral with our financial institution partners to improve our margins	6,887.00
General corporate purposes*^**	[•]
Net Proceeds**	[•]

^(i) The cumulative amount to be utilized for general corporate purposes and our object of 'Pursuing inorganic initiatives' shall not exceed 35% of the Net Proceeds; and (ii) the amount utilized for our object of 'Pursuing inorganic initiatives' shall not exceed 25% of the Net Proceeds.

**Subject to the above, the amount to be utilised for general corporate purposes shall not exceed 25% of the Net Proceeds from the Fresh Issue.*

***To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

For further details, see "*Objects of the Offer*" on page 98.

Aggregate pre-Offer shareholding of the Promoters, the members of the Promoter Group and the Selling Shareholders

The aggregate pre-Offer Equity shareholding of the Promoters, Promoter Group and Selling Shareholders as on the date of this Draft Red Herring Prospectus is set forth below:

Sr. No	Category and names of Shareholders	Number of Equity Shares held	% of total paid up pre-Offer Equity Share capital	% of the pre-Offer Equity Share capital on a fully diluted basis (%)#
Promoters/ Promoter Selling Shareholders				
1.	Ajay Adiseshan	33,099,200	57.58	28.89
2.	Vishvanathan Subramanian	807,850	1.41	0.71
	Total (A)	**33,907,050**	**58.99**	**29.59**
Promoter Group				
1.	G. Adhiseshann*##	-	-	0.42
2.	Gita Adiseshan	158,550	0.28	0.14
3.	Uma Vishvanathan*	4,096,630	7.13	3.58
4.	Samuel Fernandes	160,060	0.28	0.14
5.	Anjana Vishvanathan	9,060	0.02	0.01
6.	Shivank Vishvanathan	9,060	0.02	0.01
	Total (B)	**4,433,360**	**7.71**	**4.29**
Selling Shareholders				
1.	Lightbox##	12,080	0.02	27.31
2.	Mayfield FVCI, Ltd. ##	6,040	0.01	3.36
3.	RSP India Fund. LLC##	-	-	0.59
4.	IPO Wealth Holdings##	-	-	3.65
5.	Dhruv Pratap Singh	3,775,000	6.57	3.29
6.	Probir Kumar Roy	65,25,221	11.35	5.69
7.	Alexander Kuruvilla	3,260,090	5.67	2.85
8.	Anand Rajaraman##	-	-	1.20
	Total (C)	**13,578,431**	**23.62**	**47.94**

** This member of the Promoter Group is also a Selling Shareholder.*

 # Assuming maximum conversion of the outstanding FCPS and NCPCCPS which will be converted into Equity Shares prior to the filing of the Red Herring Prospectus with the RoC and exercise of all options under the ESOP 2006 that have vested as of the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, G. Adhiseshann holds 318 NCPCCPS, Lightbox holds 15,448 FCPS and 5,268 NCPCCPS, Mayfield FVCI, Ltd. holds 2544 NCPCCPS, RSP India Fund. LLC holds 446 NCPCCPS, IPO Wealth Holdings holds 2,768 NCPCCPS and Anand Rajaraman holds 909 NCPCCPS. For details, see "Capital Structure – Share capital history of our Company – The history of preference share capital of our Company" on page 83.

Summary of financial information

The summary of the financial information of the Company as per the Restated Financial Statements is set forth below. For further information, see "*Financial Statements*" on page 214.

(in ₹ million, other than per share data)

Particulars	For the nine month period ended December 31, 2021	As of / for the year ended		
		March 31, 2021	March 31, 2020	March 31, 2019
Equity Share capital	56.13	0.35	0.34	0.34
Instruments in the nature of Equity	1,695.02	1,413.81	1,390.70	826.52
Net Worth	393.33	172.04	348.96	(38.06)
Total Revenue	8,437.18	3,490.23	2,173.63	2,360.35
Restated profit/(loss) after tax	(427.80)	(280.60)	(279.22)	(80.59)
EPS (basic) (₹)	(8.00)	(5.41)	(5.41)	(1.58)
EPS (diluted) (₹)	(8.00)	(5.41)	(5.41)	(1.58)
Net Asset Value (NAV) per Equity Share (₹)	7.36	3.31	6.80	(0.75)
Total borrowings	0.00	0.00	0.00	31.34

Notes:

(1) Pursuant to a resolution of our Board dated December 13, 2021 and Shareholders dated December 18, 2021, each equity share of our Company of ₹10 each was sub-divided into 10 Equity Shares of ₹1 each and accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 37,169 equity shares of our Company of ₹10 each to 371,690 Equity Shares of ₹1 each. Further, pursuant to resolutions of our Board dated December 13, 2021 and Shareholders dated December 18, 2021, our Company on January 14, 2022, allotted 150 Equity Shares for every one Equity Share held by Shareholders on the record date i.e., December 18, 2021, by way of a bonus issue and consequently, the paid-up Equity Share capital of our Company was increased to ₹56,125,190. The earnings per Equity Share (basic and diluted) has been calculated after giving effect to such sub-division and bonus issuance.

(2) In terms of Paragraph 64 of Indian Accounting Standard 33 Earnings per Share, if the number of ordinary shares outstanding increases as a result of share split, calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial information is approved for issue, the per share calculations for those and any prior period financial information presented shall be based on the new number of shares. The calculation of basic and diluted EPS has been considered considering the impact of the split stated above.

(3) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/ period. This has been adjusted for all periods presented by giving effect to the subdivision subsequent to the balance sheet date.

(4) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses.

(5) "Net Assets Value" is calculated as Net Worth divided by weighted average number of Equity Shares outstanding for respective year's i.e., Net Assets Value = Net Worth/ Weighted average number of Equity Shares outstanding.

(6) The above ratios have been computed on the basis of the Restated Financial Statements.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Statements

The Statutory Auditors have not made any qualifications in the examination report that require any adjustments to the Restated Financial Statements.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, the Promoters, the Subsidiaries and the Directors as required under the SEBI ICDR Regulations, and in case of the Group Company, such proceedings which have material impact on our Company, as on the date of this Draft Red Herring Prospectus, is set forth below:

Particulars	Number of cases	Amount[^] *(in ₹ million)*
Litigation involving our Company		
Criminal proceedings	1	-
Material civil litigation	2	1,771.50
Actions by statutory or regulatory authorities	1	-
Direct and indirect tax proceedings	2	1.89[*]
Other matters	1	-
Total	7	1,773.91
Litigation involving the Promoters		
Criminal proceedings	1[#]	-

Particulars	Number of cases	Amount^ (in ₹ million)
Litigation involving the Directors		
Criminal proceedings	1#	-

^ *To the extent ascertainable.*
** Such amount excludes any interest or penalty in relation to such tax proceedings.*
# *This is the same criminal litigation filed against our Company.*

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" on page 300.

Risk factors

Specific attention of the Bidders is invited to the section "*Risk Factors"* on page 26, including Risk Factors numbered 1, 2 and 3 on pages 26, 27 and 28 respectively, to have an informed view before making an investment decision.

Summary of contingent liabilities

The summary of the contingent liabilities of our Company as per Ind AS 37, as of December 31, 2021, is set forth below:

(*in ₹ million*)

Particulars	As at December 31, 2021
Bank guarantees given to various parties	0.46
Income tax demand	1.66
Service tax demand	1.19
Total	**3.31**

For details, see "*Financial Statements – 25. Contingent liabilities and commitments*" on page 255.

Summary of related party transactions

The summary of the related party transactions entered into by our Company with related parties as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and as at and for the nine months ended December 31, 2021 is set forth below:

(in ₹ million)

Particulars		Nine months ended December 31, 2021	Fiscals		
Nature of transaction	Related parties with whom transactions have taken place		2021	2020	2019
Directors Remuneration	Ajay Adiseshan	29.70	9.00	12.00	6.00
	S Vishvanathan	21.33	3.38	4.50	1.50
	Probir Roy	0.00	0.00	0.00	1.20
Salary	Uma Vishvanathan	1.03	1.13	1.50	0.00
Loans Taken	Ajay Adiseshan	21.50	0.00	2.21	6.70
	S Vishvanathan	0.00	0.00	0.34	5.83
Loans Repaid	Ajay Adiseshan	(21.50)	0.00	(29.87)	(14.58)
	S Vishvanathan	0.00	0.00	(4.02)	(2.15)
Advance from Customer	Bloom Ventures Pvt Ltd	0.00	0.00	0.00	5.40
Advance from Customers Repaid	Bloom Ventures Pvt Ltd	0.00	0.00	5.40	0.00

For details of the related party transactions and as reported in the Restated Financial Statements, see "*Financial Statements – 29. Related party transactions*" on page 259.

Financing arrangements

There have been no financing arrangements whereby the Promoters, members of the Promoter Group, the Directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other

person of securities of our Company (other than in the normal course of business of the financing entity) during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Details of price at which specified securities were acquired by our Promoters, the members of the Promoter Group, the Selling Shareholders and Shareholders with special rights in the last three years immediately preceding the date of this Draft Red Herring Prospectus

Sr. No	Name of the acquirer/ Shareholder	Nature of securities	Face value (in ₹)	Date of acquisition of securities	Number of securities acquired	Acquisition price per security (in ₹)
Promoters/ Promoter Selling Shareholders						
1.	Ajay Adiseshan*	Equity Shares	1	December 18, 2021	197,280	-
		Equity Shares	1	January 14, 2022	32,880,000	-
2.	Vishvanathan Subramanian	Equity Shares	1	December 18, 2021	4,815	-
		Equity Shares	1	January 14, 2022	802,500	-
Promoter Group						
1.	G. Adhiseshann**	-	-	-	-	-
2.	Gita Adiseshan	Equity shares	10	October 28, 2021	105	59,495
		Equity Shares	1	December 18, 2021	945	-
		Equity Shares	1	January 14, 2022	157,500	-
3.	Bernadine Fernandes	-	-	-	-	-
4.	Kaushalya Adiseshan	-	-	-	-	-
5.	Samuel Fernandes	Equity shares	10	October 28, 2021	106	59,495
		Equity Shares	1	December 18, 2021	954	-
		Equity Shares	1	January 14, 2022	159,000	-
6.	Judy Fernandes	-	-	-	-	-
7.	Meena Subramanian	-	-	-	-	-
8.	Kailasanathan Subramanian		-	-	-	-
9.	Uma Vishvanathan**	Equity shares	10	October 28, 2021	1	59,495
		Equity Shares	1	December 18, 2021	16,767	-
		Equity Shares	1	January 14, 2022	2,794,500	-
		Equity Shares	1	February 14, 2022	8,500	1
		Equity Shares	1	February 14, 2022	1,275,000	-
10.	Anjana Vishvanathan	Equity shares	10	October 28, 2021	6	59,495
		Equity Shares	1	December 18, 2021	54	-
		Equity Shares	1	January 14, 2022	9,000	-
11.	Shivank Vishvanathan	Equity shares	10	October 28, 2021	6	59,495
		Equity Shares	1	December 18, 2021	54	-
		Equity Shares	1	January 14, 2022	9,000	-
12.	Uma Balasubramanian	-	-	-	-	-
13.	Lakshmi Krishnasubbu	-	-	-	-	-
14.	Usha Ramaseshan	-	-	-	-	-
Selling Shareholders						
1.	Lightbox*	Equity Shares	1	December 18, 2021	72	-
		Equity Shares	1	January 14, 2022	12,000	-
2.	Mayfield FVCI, Ltd.	Equity Shares	1	December 18, 2021	36	-
		Equity Shares	1	January 14, 2022	6,000	-
3.	RSP India Fund. LLC	NCPCCPS	158,456.70	August 14, 2019	446	1,58,456.70
4.	IPO Wealth Holdings	-	-	-	-	-
5.	Dhruv Pratap Singh	Equity Shares	1	December 18, 2021	22,500	-
		Equity Shares	1	January 14, 2022	3,750,000	
6.	Probir Kumar Roy	Equity Shares	1	December 18, 2021	39,483	-
		Equity Shares	1	January 14, 2022	6,580,500	
7.	Alexander Kuruvilla	Equity Shares	1	December 18, 2021	19,431	-
		Equity Shares	1	January 14, 2022	3,238,500	
8.	Anand Rajaraman	-	-	-	-	-

The above details have been certified by RVKS and Associates, Chartered Accountants, by way of their certificate dated May 28, 2022.

**Such shareholders are also entitled to nominate Directors on our Board. For details, see "History and Certain Corporate Matters – Shareholders' agreements and other material agreements" beginning on page 189.*

*** This member of the Promoter Group is also a Selling Shareholder.*

Weighted average price at which the Equity Shares were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus is as follows:

S. No.	Category of Shareholders	Number of Equity Shares acquired in the preceding one year	Weighted average price of acquisition per Equity Share (₹)
Promoters/ Promoter Selling Shareholders			
1.	Ajay Adiseshan	33,077,280	-
2.	Vishvanathan Subramanian	807,315	-
Investor Selling Shareholders			
1.	Lightbox	12,072	-
2.	Mayfield FVCI, Ltd.	6,036	-
3.	RSP India Fund. LLC	-	NA
4.	IPO Wealth Holdings	-	NA
Other Selling Shareholders			
1.	G. Adhiseshann	-	NA
2.	Uma Vishvanathan	4,094,768	0.02
3.	Dhruv Pratap Singh	3,772,500	-
4.	Probir Kumar Roy	6,619,983	-
5.	Alexander Kuruvilla	3,257,931	-
6.	Anand Rajaraman	-	NA

The above details have been certified by RVKS and Associates, Chartered Accountants, by way of their certificate dated May 28, 2022.

Average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholders

The average cost of acquisition per Equity Share to our Promoters and the Selling Shareholders as at the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares acquired	Average cost of acquisition per Equity Share (₹)[*#]
Promoters/ Promoter Selling Shareholders			
1.	Ajay Adiseshan	33,099,200	0.56
2.	Vishvanathan Subramanian	807,850	4.04
Investor Selling Shareholders			
1.	Lightbox	12,080	7.62
2.	Mayfield FVCI, Ltd.	6,040	0.01
3.	RSP India Fund. LLC	-	NA
4.	IPO Wealth Holdings	-	NA
Other Selling Shareholders			
1.	G. Adhiseshann	-	NA
2.	Uma Vishvanathan	4,096,630	0.02
3.	Dhruv Pratap Singh	3,775,000	0.01
4.	Probir Kumar Roy	6,624,370	0.75
5.	Alexander Kuruvilla	3,260,090	0.01
6.	Anand Rajaraman	-	NA

[*] *As adjusted for the sub-division of the face value of the equity shares of our Company from ₹10 each to ₹1 each.*
[#] *As certified by RVKS and Associates, Chartered Accountants, by way of their certificate dated May 28, 2022.*

Details of pre-IPO placement

Our Company may consider issuing Equity Shares on a private placement basis for cash consideration aggregating up to ₹2,250.00 million. The Pre-IPO Placement, if undertaken, shall be undertaken at the discretion of our Company and the price of the Equity Shares allotted pursuant to the Pre-IPO Placement shall be determined by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the RHP to be filed with the RoC.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not undertaken any issuance of its equity shares for consideration other than cash in the last one year preceding the date of this Draft Red Herring Prospectus.

Split/ Consolidation of Equity Shares in the last one year

Pursuant to a Shareholders' resolution dated December 18, 2021, each equity share of our Company bearing face value of ₹10 was split into 10 Equity Shares bearing face value of ₹1 each. Therefore, an aggregate of 37,169 equity shares bearing face value of ₹10 each was sub-divided into ₹371,690 divided into 371,690 Equity Shares bearing face value of ₹1 each.

Exemption from complying with any provisions of securities laws granted by the SEBI

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain conventions

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to the "U.S.", "USA" or the "United States" are to the United States of America and its territories and possessions. Further, all references to (i) "UAE" are to the United Arab Emirates and its territories possessions; (ii) "Saudi Arabia" are to the Kingdom of Saudi Arabia and its territories and possessions; (iii) "Oman" are to the Sultanate of Oman and its territories and possessions; and (iv) "Sri Lanka" are to the Democratic Socialist Republic of Sri Lanka and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Financial data

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular Financial Year or Fiscal Year, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless stated or the context requires otherwise, the financial data in this Draft Red Herring Prospectus is derived from the Restated Financial Statements. The Restated Financial Statements included in this Draft Red Herring Prospectus are as at and for the nine months ended December 31, 2021 and Fiscals 2021, 2020 and 2019, and have been prepared in accordance with Ind AS prescribed under Section 133 of Companies Act, 2013 read with the Ind AS Rules and other relevant provisions of the Companies Act, 2013 and the guidance notes issued by ICAI. For further information, see "*Financial Statements*" on page 214.

The Restated Financial Statements have been prepared in accordance with Ind AS. There are differences between the Ind AS, the International Financial Reporting Standards ("**IFRS**") and the Generally Accepted Accounting Principles in the United States of America ("**U.S. GAAP**"). Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with accounting standards in India, the Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify the differences between the financial data (prepared under Ind AS) and IFRS/U.S. GAAP, nor have we provided a reconciliation thereof. We urge the Bidders to consult their respective advisors regarding such differences and their impact on our financial data. For risks relating to significant differences between Ind AS and other accounting principles, see "*Risk Factors - We track certain operational metrics with internal systems and tools which are not prepared under or required under Ind AS. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation"* on page 52.

Unless the context otherwise indicates, any percentage or amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 152 and 277, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated based on the Restated Financial Statements.

Certain figures contained in this Draft Red Herring Prospectus, including the Restated Financial Statements, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In this Draft Red Herring Prospectus, any discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this

Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Non-GAAP Financial Measures

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like TPV, Gross Margin, Net Margin, Adjusted EBITDA, Adjusted EBITDA Margin, EBITDA, Net Worth, return on Net Worth, and Net Asset Value per Equity Share and certain other statistical information relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. For further details, see "*Risk Factors – We track certain operational metrics with internal systems and tools which are not prepared under or required under Ind AS. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation*" on page 52. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Industry and market data

For the purpose of confirming our understanding of the industry we operate in, in connection with the Offer, we have commissioned a report exclusively for the purposes of the Offer for an agreed fee, titled "*Opportunities in B2B Payments in India*" dated May 16, 2022 ("**RedSeer Report**"), prepared by RedSeer which is also available at our Company's website, at https://paymate.in/investorRelations.html. For risks in this regard, see "*Risk Factors* – "*Certain sections of this Draft Red Herring Prospectus contain information from RedSeer which has been commissioned and paid for by us exclusively for the purpose of the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*" on page 51. RedSeer has required us to include the following disclaimer in connection with the RedSeer Report:

"*The market information in the Report is arrived at by employing an integrated research methodology which includes secondary and primary research. RedSeer's primary research work includes surveys and in-depth interviews of consumers, customers and other relevant ecosystem participants, and consultations with market participants and experts. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. RedSeer's estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. RedSeer's research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry. RedSeer shall not be liable for any loss suffered by any person on account of reliance on the information contained in the Report.*

While RedSeer has taken due care and caution in preparing the Report based on information obtained from sources generally believed to be reliable, its accuracy, completeness and underlying assumptions are subject to limitations like interpretations of market scenarios across sources, and data availability, amongst others. Therefore, RedSeer does not guarantee the accuracy or completeness of the underlying data or the Report.

Forecasts, estimates and other forward-looking statements contained in the Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Additionally, the COVID-19 coronavirus pandemic has significantly affected economic activity in general and it is yet to be fully abated. The forecasts, estimates and other forward-looking statements in the Report depend on factors like the recovery of the economy, evolution of consumer sentiments, the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably

and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.

The Report is not a recommendation to invest/disinvest in any entity covered in the Report and the Report should not be construed as investment advice within the meaning of any law or regulation.

Without limiting the generality of the foregoing, nothing in the Report should be construed as RedSeer providing or intending to provide any services in jurisdictions where it does not have the necessary permission and/or registration to carry out its business activities in this regard. No part of the Report shall be reproduced or extracted or published in any form without RedSeer's prior written approval."

Aside from the above, unless otherwise stated, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from publicly available sources of industry data. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents and from various sources believed to be reliable. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 26. Accordingly, no investment decision should be solely made on the basis of such information.

Currency and units of presentation

All references to "₹" or "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India.

All references to "US$" or "USD" are to United States Dollars, the official currency of the United States of America.

All references to "AED" or "Dirham" are to United Arab Emirates Dirham, the official currency of the United Arab Emirates.

All references to "SAR" are to Saudi Riyal, the official currency of the Kingdom of Saudi Arabia.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions, except where specifically indicated otherwise. One million represents 10 lakhs or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The information with respect to the exchange rate between the Indian Rupee and other foreign currencies, as on the dates indicated, is set forth below:

(in ₹)

Currency	Exchange rate as on December 31, 2021	Exchange rate as on March 31, 2021	Exchange rate as on March 31, 2020	Exchange rate as on March 29, 2019*
1 US$	74.30	73.50	75.39	69.17

Source: www.fbil.org.in
Reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and Saturday, respectively.
Note: Exchange rate is rounded off to two decimal places.

NOTICE TO PROSPECTIVE INVESTORS

Notice to prospective investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of the Company and the terms of the Offer, including the merits and risks involved. The Equity Shares offered in the Offer have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Notice to prospective investors in the European Economic Area

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity shares in Member States of the European Economic Area ("**EEA**") (each a "**Member State**") will be made pursuant to an exemption under the Prospectus Regulation (as defined below), as applicable to each Member State, from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129. Accordingly, any person making or intending to make an offer to the public within the EEA of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, any of the Selling Shareholders or any of the Book Running Lead Managers to produce a prospectus for such offer pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. None of our Company, the Selling Shareholders and the Book Running Lead Managers have authorised, nor do they authorise, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Book Running Lead Managers which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the Offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares.

Notice to prospective investors in the United Kingdom

This Draft Red Herring Prospectus has been prepared on the basis that no offers to the public of Equity Shares will be made prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the Financial Conduct Authority. The expression "UK Prospectus Regulation" means Prospectus Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") and the expression "FSMA" means the Financial Services and Markets Act 2000. Accordingly, any person making or intending to make an offer to the public within the United Kingdom of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, the Selling Shareholders or any of the Book Running Lead Managers to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. None of our Company, the Selling Shareholders and the Book Running Lead Managers have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Members of the Syndicate which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements, which include statements with respect to our business strategy, our expected revenue and profitability, our goals and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements can generally be identified by words or phrases such as "aim", "believe", "expect", "estimate", "intend", "objective", "plan", "propose", "will continue", "seek to", or other words or phrases of similar import. Similarly, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This could be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes in the industry we operate in and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India that may have an impact on our business or investments, monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates and prices, the general performance of Indian and global financial markets, changes in the competitive landscape and incidence of any natural calamities and/or violence. Significant factors that could cause our actual results to differ materially from our expectations include, but are not limited to:

- Evolving laws and regulation governing our business and our ability to obtain the authorization from the RBI pursuant to the Payment Aggregators Guidelines;
- Loss of business from one or more of our Customers;
- Our relationship, contracts and arrangements with Visa;
- Growth in the number of suppliers and vendors on our platform and expansion of our service offerings and market reach;
- Our ability to attract new Customers to our platform, retain and grow our relationships with our existing Customers, and increase transaction volumes processed on our platform;
- Our ability to maintain competitive pricing of our products and services or maintain low customer acquisition costs; and
- Our ability to generate and sustain increased revenues while managing our expenses to achieve profitability.

For a further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 152 and 277, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements reflect our current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, the Selling Shareholders, the Promoters, the Directors, the Key Managerial Personnel, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of the

SEBI ICDR Regulations, our Company shall ensure that investors are informed of material developments from the date of the Red Herring Prospectus until the date of Allotment.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry or geographies in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, results of operations, financial condition and cash flows. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see "Our Business", "Industry Overview", "Key Regulations and Policies" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 152, 116, 174 and 277, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus.

To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties and other factors, many of which are beyond our control. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see "Forward-Looking Statements" on page 24.

Unless otherwise indicated, the financial information of our Company has been derived from the Restated Financial Statements.

Unless otherwise indicated, industry and market data used in this section has been derived from the RedSeer Report (extracts of which have been appropriately incorporated as part of "Industry Overview" on page 116), which has been commissioned by us and we paid for such report an agreed fee only for the purposes of confirming our understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant calendar year.

Internal Risks

Risks related to our business and industry

1. We operate in a regulated industry and are subject to evolving laws and regulation governing our business. In particular, if we are unable to obtain the authorization from the RBI pursuant to the Payment Aggregators Guidelines, our business may be adversely affected or we may not be able to conduct our business at all.

We operate in a regulated market with evolving laws and regulations which change over time. Certain of these laws and regulations governing our business are relatively new, and thus their interpretation and enforcement may involve uncertainties. As a result, we may be required to seek for and follow additional procedures, modify or adjust certain activities, restructure our ownership structure, obtain new and additional licenses, registrations or authorizations and incur additional expenses to comply with such laws and regulations, which could adversely affect our future growth, development and business.

In March 2020, the RBI issued the Payment Aggregators Guidelines which required existing providers of payment aggregator and gateway services to apply for an authorization from the RBI on or before September 30, 2021.

Accordingly, we submitted an application dated March 22, 2021 for obtaining such authorization, which was returned by the RBI, pursuant to its letter dated August 27, 2021, on account of submission of insufficient information. Subsequently, we have submitted a fresh application dated September 28, 2021 to the RBI for obtaining the said authorization. In the event that this application of ours is rejected, we will be subject to a one-year cooling off period, during which we cannot re-apply for such an authorization, and this may in turn materially and adversely affect our business and results of operations. We cannot assure you that we will obtain the authorization to operate as a payment aggregator in a timely manner or at all, which may have a material and adverse effect on our business, financial condition, cash flows and results of operations and we may not be able to conduct our business at all.

Further, the RBI has mandated all payment aggregators to implement card-on-file tokenization services, which requires authorized Payment Aggregators to upgrade their payment systems to facilitate transactions through tokens and purge any previously stored card data by June 30, 2022. In light of the RBI mandate, we will be dependent on payment gateways and third parties for the tokenization process. We cannot guarantee that the third parties will be able to obtain tokenization within the stipulated time period or at all.

The Payment Aggregators Guidelines also stipulate minimum net worth requirements, background and antecedent checks for merchant on-boarding, corporate governance requirements, compliance with KYC guidelines, customer grievance redressal and dispute management, security standards, baseline technology recommendations as well as data storage requirements through tokenization. We may be subject to regulatory action if we were to become non-compliant with the provisions set forth under the Payment Aggregators Guidelines, which may lead to incurring of additional costs for addressing such violations and diversion of our management's attention. Further, we cannot assure you that our costs of complying with such current and future laws and regulations will not adversely affect our business, results of operations or financial condition. For details, see "*Key Regulations and Policies in India*" on page 174 and "*Government and Other Approvals*" on page 304.

2. We derive a significant portion of our revenues from certain of our Customers. Our largest Customer and our top five Customers (other than our largest Customer) contributed 20.68% and 43.50% of our revenue from operations for the nine months ended December 31, 2021, respectively. Any loss of business from one or more of them may adversely affect our revenues and profitability.

We are dependent on our Customers for a significant portion of our revenue from operations. Our Customers pay us transaction fees for using commercial credit cards on our platform for making their payments. These transaction fees are based on the value of transactions transacted on our platform.

Out of the total revenue from operations of ₹2,358.50 million, ₹2,161.39 million, ₹3,484.00 million and ₹8,434.38 million in Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, respectively, the revenues generated from top Customer and top 5 Customers in the corresponding period is set forth below:

(in ₹ million)

	Nine months ended December 31, 2021		**Fiscal**					
			2021		**2020**		**2019**	
	(₹in million)	***(% of revenue from operations)***	***(₹in million)***	***(% of revenue from operations)***	***(₹in million)***	***(% of revenue from operations)***	***(₹in million)***	***(% of revenue from operations)***
Revenue from top Customer	1,744.32	20.68%	594.12	17.05%	922.27	42.67%	1,353.55	57.39%
Revenue from top 5 Customers (other than the top Customer)	3,669.32	43.50%	1,677.59	48.15%	1,066.40	49.34%	946.75	40.14%

In addition, our relationship with three out of our top five Customers (including our top Customer) are governed by our platform's standard terms and conditions, which provide that such Customers may discontinue their use of our platform at any time with no requirement of prior notice. There is no assurance that such Customers will continue to use our platform in the future, and we may be subject to immediate loss of source of revenue in case they discontinue their use of our platform.

The loss of one or more of our Customers or a decline in the volume of transactions or fees our platform generates from them or any adverse change in the manner of determination of the fees that we receive from them could have an adverse effect on our business, financial condition and results of operations. In Fiscal 2020, our revenue from

operations decreased by 8.36% to ₹2,161.39 million from ₹2,358.50 million, primarily due to decreased transaction volumes as a result of the COVID-19 pandemic and loss of revenues from one of our erstwhile top five Customers that went into liquidation. For further details in relation to the impact of COVID-19 pandemic, see "- *The ongoing novel coronavirus (COVID-19) pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations."* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – Impact of COVID-19 pandemic*" on pages 33 and 280, respectively.

Our reliance on a select group of Customers may also constrain our ability to negotiate our fee arrangements with them, which may have an adverse effect on our profit margins and financial performance. Our dependence on this select group of Customers also exposes us to risks associated with their internal management, financial condition and creditworthiness, and major events affecting these Customers such as bankruptcy, change of management, litigation and mergers and acquisitions, which could adversely affect our business, revenues, results of operations and profitability. Further, the composition of revenue generated from these Customers might change as we continue to add new customers in the normal course of business. We cannot assure you that we will be able to maintain past levels of business from such Customers, or that we will be able to significantly reduce Customer concentration in the future. Further, if any of this select group of Customers choose to terminate their agreements with us due to any reason, including due to lower rates being offered by our competitors, we cannot assure you that we will be able to enter into similar arrangements with other corporates in a timely manner or at all.

3. We are reliant on our contracts and arrangements with Visa Inc. in respect of B2B digital payments solutions and any disruptions of our relationship with Visa or termination of our contracts and arrangements will have an adverse effect on our growth prospects, business and results of operations.

We have entered into various contracts and arrangements with Visa Inc. in respect of B2B digital payments solutions. Pursuant to these arrangements, Visa facilitates introductions of our Company to Visa-branded commercial credit card issuing financial institution partners to enable us to grow the usage and enrollment of Customers on our platform and supports us in our marketing and sales activities. For further details, see *"Our Business – Our Platform – Relationship with Visa Inc."* on page 155. Further, we shall ensure that for issuing banks' corporate or public sector clients using Visa's commercial credit card, registered and making payments to their vendors/ suppliers on our platform, Visa's commercial credit cards are the only payment option on our platform for a specified duration, subject to certain exceptions, out of card payment options. We ensure that commercial credit cards processed through our system are Visa cards for certain international territories agreed with Visa. For non-card payments, we allow other payment service provider options such as ACH/NEFT/RTGS/IMPS/UPI/Aadhaar Pay/net bankingalso partners with us in international markets we identify to expand outside India. Accordingly, we are reliant on Visa for the effective expansion of our business in new markets outside India.

As a result of our relationship with Visa, TPV processed through Visa cards are ₹101,581.68 million, ₹102,212.20 million, ₹184,498.23 million and ₹463,400.40 million in Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, respectively, constituting 84.56%, 88.58%, 98.59% and 99.71% of card-processing TPV in the same period.

Our agreements with Visa will expire by 2025 unless renewed, and may be terminated before end of term for reasons including due to any change in control of our Company, insolvency or bankruptcy of the Company, due to a material breach or default by our Company or for convenience. Further, our relationship with Visa may be terminated due to regulatory reasons such as an order passed by a regulatory / statutory authority against Visa or our Company. Our relationship with Visa may also be disrupted if we operate, develop or enable others to develop or make available a payment network functionality, or if there is a change in the shareholding, ownership or investment by a competitor of Visa. Any disruption in our relationship with Visa, or termination of our contractual relationship with Visa may result in a significant disruption to our performance, ability to service our Customers, we may not be able to continue operating on the same scale or find a comparable alternative commercial credit card network provider. Further, our geographical expansion plans outside India may also be impacted by any deterioration in our relationship with Visa as we work with Visa to introduce us to financial institution partners and Customers in Central Europe, Middle East and Africa regions. A termination or disruption of our relationship with Visa may have an adverse effect on our growth prospects, business and results of operations.

Due to our relationship with Visa, any disruption in Visa's operation or negative publicity of Visa may adversely affect our business, reputation or brand image. Further, any change in Visa's payment protocols or requirements may affect the payment process of our platform and operations of our business. Any negative impact on Visa or any changes in policies of Visa could adversely affect our business and results of operations.

4. If we are unable to attract new Customers to our platform, retain and grow our relationships with our existing Customers, and increase transaction volumes processed on our platform, our business, results of operations, financial condition, cash flows and prospects could be adversely affected.

Our growth depends on our ability to acquire new Customers to our platform, retain and grow our relationships with our existing Customers, thereby increasing the volume of transactions processed on our platform. The growth of our TPV is driven by the number of Customers on our platform, number of transactions carried out by our Customers, the growth of our Customers' businesses and the growth in the numbers of their suppliers and vendors. We rely on the continuing growth of our Customer relationships and our geographical presence in order to expand our TPV and our operations. Our total number of Customers and Users has grown from 39,653 as of March 31, 2019 to 166,811 as of December 31, 2021 and our card-processing TPV increased from ₹117,407.61 million in Fiscal 2019 to ₹187,142.31 million in Fiscal 2021, and ₹464,766.45million in the nine months ended December 31, 2021. Further, once we onboard new Customers on our platform, our TPV may not proportionately increase as our new Customers take a period of time to increase the volume of transactions processed on our platform. The willingness of our Customers to use our payment platform depends upon, among other things:

- our relationship with financial institution partners;
- the variety and quality of our service and product offerings;
- facilitation of commercial credit cards through financial institution partners, real time reconciliations and other information services;
- our pricing, in particular in comparison to competing products and services;
- the strength of our brand and reputation;
- our relationship with Visa Inc.;
- attractiveness to Users of our integrated platform, including ease of operation, user-friendliness and design of the interface;
- the reliability, performance and functionality of our platform
- our competitors' offerings; and
- our Users' satisfaction.

If we are unable to grow our Customer base, maintain relationships with our existing financial institution partners or increase transaction volumes on our platform, our platform may struggle to gain wider acceptance as a B2B payments platform, which in turn may impede our ability to grow our revenues and business.

In addition, it is important to have a diversified mix of Customers across industries who are looking to digitize their payments and receivables. For further details in relation to our diversified mix of Customers across industries, see *"Our Business – Our Key Customers"* on page 156. If we fail to retain a cross section of our existing Customers or if we fail to acquire new Customers, our business, results of operations, financial condition, cash flows and prospects may be adversely affected.

We may also experience attrition in our Customers due to several factors, some of which are outside of our control, including their business closures, bankruptcy, financial distress, transfers of Customers' accounts to our competitors, cancellations and account closures that our financial institution partners may initiate due to heightened credit risks relating to contract breaches by Customers, which may have an adverse effect on our business, financial condition, cash flows and results of operations. For instance, in Fiscal 2020, one of our top five customers went into liquidation. Our inactive customers, that is Customers who still form part of our registered Customer base but have not conducted any transaction on our platform for a period of 12 months from the last transaction on our platform, in Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021 are set out below:

Status	Fiscal 2019	Fiscal 2020	Fiscal 2021	As on December 31, 2021
Inactive Customers who are Enterprise Customers	12	18	43	40

Status	Fiscal 2019	Fiscal 2020	Fiscal 2021	As on December 31, 2021
Inactive Customers who are Enterprise Customers (Excluding travel)	10	12	23	36
Churn % (Excluding travel)	23%	16%	23%	22%
Churn %	27%	30%	46%	24%

See "*Our Business – Our Strengths - Long term Customer relationships and deep focus on User engagement*" for more details of our Customer churn.

Further, while our relationship with our Customers is generally governed by the standard terms and conditions of our platform, from time to time we enter into separate contracts and agreements with certain Customers for use of our platform. Our Customers pay us a transaction fee based on the value of transactions transacted on our platform. These contracts are typically for a period of one to five years and may be automatically renewed thereafter, unless otherwise terminated. These contracts can typically be terminated by either party at will by giving prior written notice of a specific duration ranging between 30 to 60 days. For Customers who have not entered into separate contracts with us, such Customers are usually bound by our standard terms and conditions, which provides such Customers may discontinue their use of our platform at any time with no requirement of prior notice. We have no guarantee of revenue under these agreements or minimum requirements for the use of our platform, products and services. If our contracts with our Customers are terminated or if our Customers shift their business to our competitors, or if we are unsuccessful in retaining high renewal rates and favorable contract terms, our business, financial condition, cash flows and results of operations may be adversely affected.

5. Our future revenue and profitability are dependent on the growth in the number of suppliers and vendors on our platform and expansion of our service offerings and market reach.

We aim to utilize the network effect created by the addition of every new User onto our platform. We aim to achieve this by expanding our platform reach to the suppliers and vendors of our existing Customers and onboarding more SMEs as Users of our platform. Such SME Users may then start paying for utilizing various additional services offered by us such as GST and direct tax payments, which typically give higher margins, resulting in the organic growth of our platform. For further details, see "*Our Business – Our Strategies – Exploiting the network effect of our platform*" on page 162. Consequently, our business and results of operations depend on our ability to onboard new vendors and suppliers onto our platform. Our total number of Users has grown from 39,318 as on March 31, 2019 to 116,858 as on December 31, 2021. Our inability to successfully onboard such vendors and suppliers and increase the number of Users on our platform, may adversely affect the reach of our platform's additional services that are higher margin offerings to our corporate Customers' vendors and suppliers. This could adversely affect our future revenue and profitability.

In addition, our efforts to expand our payment services into invoice discounting and credit facilitation depends on, among other things, our ability to expand the reach of our platform among Users in India and in the geographies we operate in, the scope of services we offer, and our ability to respond to the needs of our Users. Our failure to broaden the scope of our payment services may inhibit the growth of our business, as well as increase the vulnerability of our business to competitors. Further, any significant migration by our Users to any alternative mode of payment other than commercial credit cards may increase the vulnerability of our business to competitors and adversely affect our business, results of operations and profitability.

6. If we are unable to maintain competitive pricing of our products and services or maintain low customer acquisition costs, we may not be able to attract and retain Customers and our operating margins may decline.

Our sales and marketing effort currently includes reaching out to potential customers with competitive pricing package and expanding our presence in India and the Middle East. For further details, see *"Objects of the Offer – Details of utilization of Net Proceeds- Investment for expanding our business into new geographies"* on 100. Our sales and marketing team targets SMEs by virtue of bank reference and customized solutions. We aim to acquire these SMEs as new Customers to our ecosystem. We also aim to acquire Enterprise Customers and SME Customers by designing and developing our platform with features that are relevant to them. For further details, see "*Our Business – Our Strengths – Leading B2B payments solutions provider*" on page 159.

Our pricing is based on the product and services being provided and may be affected by pricing of our competitors and alternative solutions available to our Customers. Increased competition could result in the need for us to alter the pricing we offer to our Customers. If we are not able to offer competitive pricing or differentiate our product or service offerings from those of our competitors, which may also include some of our financial institution

partners, or otherwise provide attractive product and services to retain our Customers, we may not be able to attract new customers and retain our existing Customers. If our pricing does not generate sufficient operating margins, our results of operations, cash flows and financial condition will be adversely affected.

Further, we currently benefit from low marketing and advertisement charges as our Customer acquisition costs. Our advertisement charges for Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021 was ₹2.13 million, ₹3.15 million, ₹1.39 million and ₹2.53 million, respectively constituting 0.09%, 0.15%, 0.04% and 0.03%, respectively, of our revenue from operations for the respective periods. If we need to introduce new marketing options for new Customer acquisition or change our marketing approach, our marketing initiatives may become increasingly expensive. If our Customer acquisition costs increase, it may be difficult to generate a meaningful return on these initiatives, which may have an adverse effect on our operating margins.

7. We have a history of net losses and have experienced negative cash flows in previous Fiscals. We need to generate and sustain increased revenues while managing our expenses to achieve profitability, and our inability to achieve these goals may have an adverse effect on our business, results of operations, cash flows and financial condition.

We have incurred net losses of ₹79.61 million, ₹277.68 million, ₹281.12 million and ₹427.80 million in Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, respectively. We may continue to incur net losses for the foreseeable future and may not achieve or maintain profitability in the future. Our consolidated cash flow for the above periods are set forth in the table below:

(in ₹ million)

	As at December 31,	**Fiscal**		
	2021	**2021**	**2020**	**2019**
Net cash flows from/(used in) Operating Activities	(426.29)	(128.30)	(391.09)	(72.30)
Net cash flows from/(used in) Investing Activities	7.35	56.79	(131.24)	(12.33)
Net cash flows from/(used in) Financing Activities	477.00	(5.10)	620.91	81.55
Net increase / (decrease) in cash and cash equivalents	**58.06**	**(76.61)**	**98.58**	**(3.09)**

The markets for our platform, product and services are evolving and it is difficult for us to predict our future results of operations or the limits of our market opportunity. We need to generate and sustain increased revenue levels and decrease proportionate expenses in future periods to achieve profitability. Our cost of services include bank transaction fees to financial institutions payment to partner payment gateways, and any failure to continually acquire more Customers or pass on the potential increase in these rates to our Customers may result in the reduction of our margins. Further, when we initially acquire new Enterprise Customers, we may offer solutions on our platform at a reduced rate during onboarding for a limited duration, thereby resulting in our cost of services as a percentage of revenue being high. For further details, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – Merchant discount rate and cost of services*" on page 278. This could prevent us from achieving or maintaining profitability or positive cash flows. If we are unable to generate adequate revenues or manage our expenses, we may fail to achieve or maintain profitability in the future, and our business, results of operations, cash flows and financial condition could be materially and adversely affected. We cannot assure you that we will achieve or sustain profitability and not continue to incur significant losses going forward. Any failure by us to achieve or sustain profitability on a consistent basis, or at all, could cause the value of our Equity Shares to decline.

8. Our historical and future failure to comply with the existing, and changes to, laws and regulations applicable to our business could subject our Company to enforcement actions and penalties and otherwise harm our business. We may be adversely affected by the evolving laws and regulation governing our business and the business of our financial institution partners and the introduction of any new laws and regulation which may become applicable to our business and the business of our financial institution partners.

Our business is subject to regulation by various statutory and regulatory authorities in India and geographies in which we operate, including the MCA and the RBI, and other authorities responsible for enforcing compliance with privacy and data protection related laws, foreign investment laws, intellectual property laws, consumer protection laws, anti-corruption and anti-bribery laws and direct and indirect tax laws. For further details in relation to applicable laws in India, please see "*Key Regulations and Policies*" on page 174. Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us to inspection; audit and enforcement actions by the relevant authority; suspension and revocation of the relevant license or approval; civil penalties including payment of damages to the aggrieved party; criminal penalties including payment of fines and

imprisonment of concerned directors or employees; and mandatory conciliation and mediation with the aggrieved party or may also lead to an inability to carry forward our tax losses.

For instance, in the past, we had instances of delays in submission of the form FC-GPR in reporting receipt of foreign inward remittances within the prescribed timelines thereby being in contravention of certain provisions of the Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, as then applicable. We subsequently filed a compounding application with the RBI and the RBI by an order dated September 10, 2014, compounded the same and directed our Company to pay a compounding fee of ₹0.50 million which was paid by our Company. Further, we inadvertently failed to (i) file our consolidated financial statements (reflecting our Company's standalone financials statements and those of our Subsidiary, PayMate LLC) for Fiscal 2020 with the RoC as an attachment to the Form AOC-4XBRL; and (ii) prepare our consolidated financial statements for Fiscal 2021. Hence, we have *suo moto* filed applications with the RoC each dated May 13, 2022 in order to enable us to re-file the Form AOC-4XBRL along with the relevant attachments comprising the audited standalone financial statements and audited consolidated financial statements of our Company for Fiscal 2020 and Fiscal 2021, respectively. Additionally, our Company filed a compounding application dated March 4, 2021 before the Chief Commissioner of Income Tax on account of delay in the payment of tax deducted at source for Fiscal 2018. As on date of this Draft Red Herring Prospectus, we have paid the compounding charges of ₹2.71 million to the Chief Commissioner of Income Tax and await a closure letter from the authority. For further details, see "*Outstanding Litigation and Material Developments – Litigation filed against our Company – Other Matters*" on page 301.

These and similar actions or any failure to prevail in a possible civil or criminal litigation may adversely affect our business, results of operations, financial condition, cash flows and reputation. In addition, responding to any action or litigation may result in a diversion of our management's attention and resources and an increase in professional fees and compliance costs.

Our premises, books of accounts, documents and records are subject to inspection by the RBI under the relevant laws and regulations. Consequently, the RBI may identify instances of non-compliance and deficiencies in our operations and issue warning letters, show cause notices or penalties for violations. Due to our relationship with our financial institution partners, we may also be required to allow inspections by the RBI as a vendor to such financial institution partners.

Moreover, the laws and regulations governing our business are evolving and may be amended, supplemented or changed at any time. We are exposed to the risk of varying and evolving interpretation of complex laws and regulations governing our business in India. See "*– We operate in a regulated industry and are subject to evolving laws and regulation governing our business. In particular, if we are unable to obtain the authorization from the RBI pursuant to the Payment Aggregators Guidelines, our business may be adversely affected or we may not be able to conduct our business at all*." *on page 26.*

Further, post listing, we will also be subject to corporate governance norms prescribed by SEBI and public disclosure requirements under applicable law including the SEBI Listing Regulations, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and SEBI Takeover Regulations. Also, introduction of any new laws or changes to existing laws, regulations and standards may lack specificity and/or have varying interpretations. This in turn could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such governance standards. Further, if we fail to comply with new or changed laws or regulations and standards or unintentionally disclose unpublished price sensitive information, we may be subject to regulatory actions and our business and reputation may be harmed.

In addition, our financial institution partners are subject to certain regulations by government authorities, including the RBI. New laws or regulations by the RBI in respect of our services and the fees we charge, if promulgated, could result in an adverse effect on our business and results of operations. New regulations governing our financial institution partners could also result in significant expenditures that could cause them to reduce their use of our services, seek to renegotiate existing agreements, or curtail their operations, all of which could adversely affect our business. Further, any adverse regulatory action that changes a financial institution partner's business or adversely affect its financial condition or results of operations, may adversely impact our relationship and arrangements partnership with such financial institution partner thereby leading to an adverse impact on our business, financial condition and results of operations.

9. Our financial condition may be materially and adversely affected if we fail to collect trade receivables in a timely manner, or at all.

We have trade receivables of ₹5.95 million, ₹13.33 million, ₹8.05 million and ₹67.79 million as on the end on Fiscals 2019, 2020 and 2021 and as on December 31, 2021, respectively. Our trade receivables have increased significantly as a result of increased TPV on our platform. We recognize a trade receivable, when our Customer's credit card is debited and upon which a contractual obligation arises on the part of the banks with infrastructure to acquire and settle card transactions (the "**Acquiring Banks**") to settle the funds. In some instances, we advance payments to the Customer's designated payees only upon the debit from the Customer's credit card, which occurs on the day our Customer uses our platform, and we receive the payment from the Acquiring Banks on the next business day. Our trade receivables are non-interest bearing and the average credit period is less than 30 days. We write off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. In the past three Fiscals and the nine months ended December 31, 2021, we have only made a provision for doubtful trade receivables of ₹6.40 million as at March 31, 2019. Also, to the extent the Issuing Banks face any difficulties in settling the dues of our Customers, we may be unable to recover the amounts due to us as trade receivables. There can be no assurance that we can effectively limit our counterparty risk with respect to these trade receivables and avoid losses from trade receivables in the future. If we fail to collect all or part of such trade receivables in a timely manner, or at all, our financial condition may be materially and adversely affected.

10. The ongoing novel coronavirus (COVID-19) pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations.

An outbreak of COVID-19 was recognized as a pandemic by the World Health Organization ("**WHO**") on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit time spent outside of their homes. Temporary closures of businesses were ordered and numerous other businesses were temporarily closed on a voluntary basis as well. Resurgence of COVID-19 in India in April 2021 led to further lockdowns in various regions of India and businesses were temporarily closed. There is no assurance that lockdowns may be reinforced or relaxed, the scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Further, a possibility of a new wave of the COVID-19 pandemic including on account of new variants of the COVID-19 virus such as Omicron, many countries along with India, may impose lockdowns and restrictions on travel, closing financial markets and/or restricting trading, and limiting the operations of non-essential businesses.

Despite lockdowns imposed as a result of the COVID-19 pandemic impacted our operations, we have not halted any operations and initiated remote working for our employees. Further, since the onset of COVID-19 pandemic in 2020, we have recorded positive cases within our business, including for some of our KMPs and employees. We also experienced a reduction of transactions on our platform by our Customers in the airline and travel sector, which historically has accounted for a significant portion of our revenues. The average monthly TPV from our Customers in the airline and travel sector decreased from ₹15,938.69 million in Fiscal 2019 to ₹14,132.65 million in Fiscal 2020, ₹5,167.66 million in Fiscal 2021 and further to ₹6,882.19 million in the nine months ended December 31, 2021, despite a general increase of average monthly TPV from all Customers from ₹17,525.57 million in Fiscal 2019 to ₹53,778.34 million in the nine months ended December 31, 2021. Further, COVID-19 may also have the effect of exacerbating many of the other risks described in this *"Risk Factors"* section. For further details, see *"Management's Discussions and Analysis of Factors affecting Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – Impact of COVID-19 pandemic"* and *"Industry Overview*" beginning on pages 280 and 116, respectively.

The COVID-19 pandemic has adversely impacted, and is likely to continue to adversely impact, our operations and the operations of our Customers. The COVID-19 pandemic has caused us to modify our business practices to help minimize the risk of the virus to our employees, our Customers, and the communities in which we participate, which could negatively impact our business. These measures include temporarily requiring employees to work remotely, suspending all non-essential business travel for our employees, giving up of office spaces, negotiating reduction in rental for our Registered and Corporate Office, changing our Customer mix by focusing on Customers in other sectors such as auto ancillary, services, manufacturing, cement, paint and FMCGs and offering a wider range of payment services to our Customers. Given the continually evolving situation, there is no certainty that the measures we have taken will be sufficient to mitigate the risks posed by the pandemic.

The extent to which the COVID-19 pandemic impacts our business, results of operations, cash flows and financial condition will depend on developments that continue to be highly uncertain and difficult to predict, including, but not limited to, the duration and spread of the pandemic, its severity, the actions to contain the virus or treat its impact, the availability, distribution and efficacy of vaccines, and how quickly and to what extent normal economic and operating conditions can resume. Even after the COVID-19 pandemic has subsided, we may experience material and adverse impacts on our business as a result of the virus's global economic impact, including the availability of credit, bankruptcies or insolvencies of Customers, and recession or economic downturn.

11. Our international expansion efforts may not be successful or may subject our business to increased risks. We rely on partnerships with our financial institution partners and Visa to expand our geographical presence in international markets. Any disruption in these partnerships or our inability to develop additional partnerships in the international markets could have an adverse effect on our growth, business and results of operations.

As part of our growth strategy, we are exploring and will continue to explore new geographies and markets in which we have limited or no experience. For example, we launched operations in the UAE in 2018 and may expand into other regions in the future. For further details, see "*Objects of the Offer – Investment for expanding our business in new geographies*" on page 100. We also leverage our partnerships with our financial institution partners and Visa in international markets. For further details, see "*Our Business – Our Strategies – Expand our geographical presence in international markets*" on page 163. We have limited business experience overseas and may not be able to replicate the success of our business in India in these newer geographies. Developing new markets requires significant investments of time and resources, and may present new and difficult technological, operational and compliance challenges which may lead to higher costs and/or lower TPV than we have historically experienced. If we expand into new geographic regions, we will need to understand and comply with various new requirements applicable to us in those regions. If we experience service disruptions, failures, or other issues, our business may be materially and adversely affected and it could damage or reputation, and limit our growth, business and prospects. Our expansion into newer geographies may not recoup our investments in a timely manner or at all. Further, failure to forecast demand or growth accurately in new geographies, or eventual reputational damages from engaging in or withdrawing from these geographies, could have a material adverse impact on our growth, business and results of operations.

Even if our international expansion efforts are successful, expanding operations into new geographic markets will subject our business to increased risks, including but not limited to:

- increased licensing and regulatory requirements;
- competition from service providers or other entrenched market participants that have greater experience in the local markets than we do;
- increased costs associated with and difficulty in managing our payment platforms and transaction volumes;
- changes to the way we do business as compared with our current operations;
- a lack of acceptance of our products and services;
- the ability to support and integrate with local financial institution partners and other third-party service providers;
- difficulties in staffing and managing foreign operations;
- difficulties in recruiting and retaining qualified employees;
- compliance with complex and potentially conflicting and changing tax regimes;
- potential tariffs, sanctions, fines or other trade restrictions;
- exchange rate exposure;
- increased exposure to public health issues such as the COVID-19 pandemic, and related industry and

governmental actions to address these issues in such geographic markets; and

- regional economic and political instability.

As a result of these risks, our international expansion efforts may not be successful or may be hampered, which would limit our ability to grow our business.

12. We rely on our financial institution partners to facilitate digital payments for our Customers, and any failure to maintain our relationships with them or disruption in their services could have an adverse impact on our business, financial position, cash flows and results of operations.

We partner with financial institution partners on a non-exclusive basis to facilitate digital payments for our Customers, which entails payment processing and settlement services. Our financial institution partners include commercial banks and NBFCs. Our success depends on our ability to maintain a mutually beneficial partnership with these financial institution partners. Additionally, if the pricing of our features and services do not meet the expectations of the customers of our financial institution partners, we may not be able to onboard such customers. Our financial institution partners may reduce or cease their cooperation with us and direct their customers and their business to competitors due to, among other things, product features, commercial terms and network promotion, and therefore expose us to greater financial institution partner concentration risk or ultimately lead to our inability to satisfy demand from our Customers or grow our Customer base.

The agreements with our financial institution partners have a period ranging from one to three years, unless terminated. Our financial institution partners may terminate these agreements without any reason by typically giving a prior written notice of minimum seven days or with immediate effect in case of any material breach of our obligations under these agreements and on the occurrence of certain material adverse events.

We have the ability to conduct and/or facilitate the KYC and online identity verification on our platform before the Customers use our services. However, we may not be able to identify any potential red flags in our analysis which may later be identified by these financial institution partners. Although we have not experienced instances in which our financial institution partners identified red flags which were not identified in our analysis in the first place, any occurrence of such incident may impact our credibility and ability to facilitate acquisition of creditworthy Customers.

If our arrangements with our existing financial institution partners terminate or change for any reason, we may not be able to find replacement financial institution partners on terms that are acceptable to us or at all. Any change in the financial institution partners could disrupt the business or result in arrangements with new financial institution partners that are less favorable to us than those we have with our existing financial institution partners, either of which could have a material adverse effect on our business, financial position, results of operations and cash flows.

In addition, we rely on certain of our financial institution partners for settlement of payments and any disruption in their services, including technological disruptions could directly impact the services provided by us. Further, any major events affecting these financial institution partners such as bankruptcy, financial impropriety, or liquidity issues could adversely affect our business and results of operations.

13. Certain statutory and regulatory licenses and approvals are required for conducting our business and any failure or omission to obtain, maintain or renew these licenses and approvals could materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations in India and overseas are subject to government regulation and we are required to obtain and maintain certain statutory and regulatory licenses and approvals in connection with our business. These licenses and approvals include, among others, authorization from the RBI to operate as a payment aggregator under the Payment Aggregators Guidelines, registration under the Maharashtra Shops and Establishments (Regulations of Employment and Conditions of Service) Act, 2017 for our Registered and Corporate Office, and other labor legislations, along with registrations under the applicable tax legislations. For a detailed description of our licenses and approvals, see "*Government and Other Approvals"* on page 304. While we have obtained or made applications for the necessary licenses and approvals required for our operations, certain approvals for which we have submitted applications are currently pending. For instance, our application dated September 28, 2021 for authorization as a payment aggregator is currently pending with the RBI. In the event that our application is rejected, we will be subject to a one-year cooling off period, during which we cannot re-apply for such an authorization, and this may in turn materially and adversely affect our business and results of operations and we

may not be able to conduct our business at all. For further details, see "– *We operate in a regulated industry and are subject to evolving laws and regulation governing our business. In particular, if we are unable to obtain the authorization from the RBI pursuant to the Payment Aggregators Guidelines, our business may be adversely affected or we may not be able to conduct our business at all.*" on page 26. In addition, we may apply for additional licenses and approvals, including the renewal of certain approvals which may expire from time to time. If we are unable to obtain, maintain or renew all necessary licenses and approvals required for our continued operations or for continued provision of the services being offered by us, this may have consequences on our operations, which may be limited or suspended to that extent, which may have an adverse impact on our business and results of operations. Further, our activities, future development and expansion into a variety of new fields could also raise a number of new regulatory issues and licensing requirements. For further details on the impact of evolving laws and regulations on us, see "– *Our historical and future failure to comply with the existing, and changes to, laws and regulations applicable to our business could subject our Company to enforcement actions and penalties and otherwise harm our business. We may be adversely affected by the evolving laws and regulation governing our business and the business of our financial institution partners and the introduction of any new laws and regulation which may become applicable to our business and the business of our financial institution partners.*" on page 31.

Some of our licenses and approvals contain certain conditions and restrictions. If we fail or allegedly fail to satisfy the conditions or comply with the restrictions imposed by the relevant licenses and approvals, or the restrictions imposed by any statutory or regulatory requirements, we may become subject to regulatory enforcement or be subject to fines, penalties or additional costs or revocation of these licenses and approvals. We may also be subject to increased licensing and regulatory requirements when we expand to international markets, see "– *Our international expansion efforts may not be successful or may subject our business to increased risks. We rely on partnerships with our financial institution partners and Visa to expand our geographical presence in international markets. Any disruption in these partnerships or our inability to develop additional partnerships in the international markets could have an adverse effect on our growth, business and results of operation.*" on page 34 for further details. Any failure or allegation of failure in regulatory compliance may result in the interruption of all or some of our operations and may have an adverse effect on our business, financial condition, cash flows and results of operations.

14. A decline in the use of commercial credit cards as a payment mechanism for Customers or adverse developments with respect to the payment processing industry in general could have a materially adverse effect on our business, financial condition and results of operations.

Our business model relies on our Customers using commercial credit cards for transaction on our platform in order to consistently increase and maintain our profitability. If our Customers do not continue to use commercial credit cards as a payment mechanism for their transactions, it could have a material adverse effect on our business, financial condition and results of operation. We believe future growth in the use of commercial credit cards will be driven by the cost, ease-of-use, and quality of services offered to Customers. Moreover, if there is an adverse development in the payments industry or geographical markets in which we are present, such as new legislation or regulation that makes it more difficult for our Customers and Users to do business or utilize electronic payment mechanisms such as our platform, our business, financial condition and results of operations may be adversely affected.

15. Acquisitions and strategic investments could disrupt our business, divert our management's attention, result in dilution of our Shareholders stake and adversely affect our business and results of operations.

We may in the future seek to acquire or strategically invest in new businesses or technologies that we believe could complement or expand our products and services, enhance our technical capabilities, or otherwise offer growth opportunities. We intend to use ₹2,280 million of the Net Proceeds to undertake inorganic growth initiatives by pursuing select opportunities in areas including those that especially employ artificial intelligence and machine learning capabilities, use advanced technology for cross border payments and blockchain technology companies, provide robust order to cash (O2C) and record to report (R2R) solutions that can be integrated with our PayMate platform. Our acquisitions and strategic investment plans are focused towards expansion of our operations and presence in India and overseas. For further details in relation to the objects of the Offer, including interim use of funds and proposed schedule of implementation and deployment of Net Proceeds, see "*Objects of the Offer*" on page 98. We may be unable to find suitable acquisition candidates and to complete acquisitions on favorable terms, if at all, in the future. If we do complete acquisitions or investments, we may not ultimately strengthen our competitive position or achieve our goals and any acquisitions or investments we complete could be viewed negatively by Customers or investors. Moreover, an acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures, including disrupting our ongoing operations, diverting management from their primary responsibilities, subjecting us to additional liabilities, increasing our

expenses and adversely impacting our business, results of operations, cash flows and financial condition. We may also be exposed to unknown liabilities and the anticipated benefits of any acquisition, strategic investment or business relationship may not be realized, if, for example, we fail to successfully integrate such acquisitions, or the technologies associated with such acquisitions, into our Company. We also may not achieve the anticipated benefits from the acquired businesses due to a number of factors, including difficulties resulting from the integration of IT systems, accounting systems, culture or personnel, litigation, use of resources, or other disruption of our operations.

Regulatory constraints, particularly competition regulations, may also affect the extent to which we can maximize the value of our acquisitions or investments. Also see, "- *Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.*" on page 58. Acquisitions or investments could also result in issuance of Equity Shares which could dilute the shareholding of our existing Shareholders or the incurrence of debt. In addition, we may spend time and money on acquisitions or investments that may not increase our revenue. If an acquired business or investment fails to meet our expectations, our business and results of operations may be adversely affected.

16. If we fail to manage our growth effectively, we may be unable to execute our business plan or maintain high levels of service and satisfaction, and our business, results of operations, cash flows and financial condition could be adversely affected.

We have experienced significant expansion in the last three Fiscals and nine months ended December 31, 2021 and anticipate that we will continue to expand in order to address the potential growth in our Customer numbers, expand into new geographies and take advantage of market opportunities. Our total number of Customers and Users has grown from 39,653 as of March 31, 2019 to 166,811 as of December 31, 2021, our card-processing TPV increased from ₹117,407.61 million in Fiscal 2019 to ₹187,142.31 million in Fiscal 2021, and to ₹464,766.45 million in nine months ended December 31, 2021, and our total TPV has increased from 210,306.89 million in Fiscal 2019 to 221,419.31 million in Fiscal 2021, and to ₹484,005.06 million in the nine months ended December 31, 2021. Many factors may contribute to a decline in our revenue growth rates, including increased competition, slowing demand for our platform from existing and new Customers, reduced market acceptance of our platform and services, inability to attract new Customers to our platform, reduced transaction volume and mix, general economic conditions, government actions and policies, a failure by us to continue capitalizing on growth opportunities, changes in the regulatory environment and the maturation of our business, among others. We cannot assure you that our current and planned systems, policies, procedures and controls, personnel and third-party relationships will be adequate to support our future operations. Our failure to manage growth effectively could harm our business, results of operations, cash flows and financial condition.

To manage operations and personnel growth, we will need to continue to grow and improve our operational, financial, and management controls and our reporting systems and procedures. We will require significant funds and allocation of valuable management resources to expand our technology and infrastructure without any assurances that our net revenue will increase. We also believe that our corporate culture has been and will continue to be a valuable component of our success. As we expand our business and mature once we are a listed company, we may find it difficult to maintain our corporate culture while managing this growth. Failure to manage our anticipated growth and organizational changes in a manner that preserves the key aspects of our culture could reduce our ability to recruit and retain personnel, innovate, operate effectively, and execute on our business strategy, potentially adversely affecting our business, results of operations, cash flows and financial condition.

We will need to adapt and upgrade our controls, policies, procedures and overall operations to accommodate our growing operations and supporting personnel. Moreover, the speed with which our internal controls and procedures are implemented or adapted to changing regulatory or commercial requirements may be inadequate to ensure full and immediate compliance, leaving us vulnerable to inconsistencies and failures that may have a material adverse effect on our business, results of operations, cash flows and financial condition.

17. The success and growth of our business depends upon our ability to innovate and develop new products and services. Our failure to innovate and develop our products and services could have an adverse effect on our business, results of operations, financial condition, cash flows and prospects.

We operate in an industry experiencing rapid technological change and frequent service introductions. We may not be able to make technological improvements as quickly as demanded by our Customers, which could harm our ability to retain or attract Customers. In addition, we may not be able to effectively implement new technology-driven services as quickly as our competitors or be successful in marketing these products and services to existing or potential new Customers. If we are unable to successfully innovate and continue to deliver a superior Customer

experience in a timely manner, the demand for our products and services may decrease and our growth, business, results of operations, financial condition, cash flows and prospects could be materially and adversely affected.

18. If we cannot pass the increase in bank transaction fees payable by us to financial institution partners and payments to our partner payment gateways along to our Customers, our earnings and operating margins will decline.

From time-to-time, the commercial credit card networks and payment gateways, including Visa with whom we have a long-standing relationship, may increase the fees that they charge our platform for processing payments. Although we have experienced increases in the processing fees in recent years, we have maintained multiple gateways such that we may switch to other gateways as necessary when there is an increase in the processing fee. Further, we pay bank transaction fees to our financial institution partners for each transaction processed on our platform. Under our existing contracts with our Customers, we are generally permitted to re-adjust our rates and tariffs by notice to our Customers to offset any increase in bank transaction fees and payment gateway fees. However, if we are unable to pass along these and other fees in the future due to commercial reasons, competitive pressures, market conditions such as adverse impact on industry sections of our Customers, direct negotiation with our Customers or other considerations, we may have to absorb all or a portion of such increases, thereby reducing our earnings and operating margins and adversely affecting our business, financial condition and results of operations. For further details, see *"We have a history of net losses and have experienced negative cash flows in previous Fiscals. We need to generate and sustain increased revenues while managing our expenses to achieve profitability, and our inability to achieve these goals may have an adverse effect on our business, results of operations, cash flows and financial condition.*" on page 31. Even if we could pass along these and other fees to our Customers, this might result in the loss of Customers to our competitors who may not pass along the increases, thereby reducing our revenues and earnings.

19. Failure to maintain or improve our technology infrastructure could harm our business, results of operations, financial condition and prospects.

It is critical to our success that all Users are able to access our platform, at all times. Our systems, or those of third-parties upon which we rely, may experience service interruptions or degradation or other performance problems because of hardware and software defects or malfunctions, unexpected high volume of transactions, distributed denial-of-service and other cyberattacks, infrastructure failures, human error, earthquakes, hurricanes, floods, fires, natural disasters, power losses, disruptions in telecommunications services, unauthorized access, fraud, military or political conflicts, terrorist attacks, legal or regulatory takedowns, computer viruses, ransomware, malware, or other events. Our systems may also be subject to break-ins, sabotage, theft and intentional acts of vandalism, including by our own employees, all of which would impact our ability to provide secure and uninterrupted access to our platform, which could have an adverse impact on our operations and reputation. For instance, in Fiscal 2020, we were threatened with a distributed denial-of-service attack for a few hours. We were able to withstand the attack, at both the cloud and gateway levels, without incurring any costs and it did not adversely impact our business, nevertheless, we cannot assure you that we will not experience such attacks in the future which could adversely affect our business, results of operations, financial condition and prospects.

The software underlying our platforms is complex and may contain undetected errors or vulnerabilities, some of which may only be discovered at a subsequent stage or may not get discovered at all. Our practice is to release frequent software updates. Any errors, vulnerabilities or infringements discovered in our code or from third-party software after release could result in negative publicity, a loss of Customers or Users or loss of revenue, legal proceedings, and access or other performance issues. Such vulnerabilities could also be exploited by malicious actors and result in exposure of data of the participants on our platform, or otherwise result in a security breach or other security incident. Any failure to timely and effectively resolve any such errors, defects, or vulnerabilities could adversely affect our business, reputation, brand, financial condition, cash flows and results of operations. We may experience system failures and other events or conditions, from time to time, that interrupt the availability or reduce or affect the speed or functionality of our platform. These system failures generally occur either as a result of software updates being deployed with unexpected errors or as a result of temporary infrastructure failures related to storage, network, or computing capacity being exhausted. Further, in some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time or at all.

Any failure to maintain and improve our technology infrastructure could result in unanticipated system disruptions, slower response time, impaired Customer and User experience, delay in reporting transactional information and failures in risk management. The risks of these events occurring could be higher during certain periods of peak usage and activity, such as on and around the filing and payment of taxes including GST by our Customers and Users and internal timelines of our Customers and Users to make payments, when transaction

volume is significantly higher on our platform compared to other days of the year. In addition, much of the software and interfaces we use are internally developed. If we experience problems with the functionality and effectiveness of our software, interfaces or platform, or are unable to maintain and continuously improve our technology infrastructure to handle our business needs, our business, financial condition, cash flows, results of operations and prospects, as well as our reputation and brand, could be materially and adversely affected.

Furthermore, for the purposes of our technology infrastructure, products and services, including our service offerings, we engage third parties providing cloud services, payment gateway services and data analysis services and incorporate their software, systems and technologies. The servers of our third party providers are located in various locations, including but not limited to India, the United States and the UAE. Any disruptions of or interference with our use of such services would impair our ability to deliver our services and products to our customers. Further, we may not easily switch our operations to another third party service provider, such that any disruption of or interference with our use of such providers' services would increase our operating costs and could adversely affect our business, financial condition and results of operations, and we might not be able to secure service from an alternative provider on similar terms or at all. As our technology infrastructure, products and services expand and become increasingly complex, we face increasingly serious risks to the performance and security of our technology infrastructure, products and services that may be caused by these third parties and their developed software, including risks relating to incompatibilities among these components, service failures or delays or back-end procedures on hardware and software. We also need to continuously enhance our existing technology. Otherwise, we face the risk of our technology infrastructure becoming unstable and susceptible to security breaches. This instability or susceptibility could create serious challenges to the security and uninterrupted operation of our platforms, products and services, which would adversely affect our business and reputation.

20. Any privacy or data security breach, cyber-attacks or internal misconduct could damage our reputation and brand and substantially harm our business and any actual or perceived failure by us to comply with contractual obligations relating to privacy or the protection or transfer of data relating to individuals, could adversely affect our business, financial condition, cash flows and results of operations.

As a technology-based platform, our business generates and processes a large quantity of transaction, financial, behavioral and demographic data. We face risks inherent in handling and protecting large volumes of data, including protecting the data hosted in our system, detecting and prohibiting unauthorized data share and transfer, preventing attacks on our system by outside parties or fraudulent behavior or improper use by our employees, and maintaining and updating our database. Any system failure, security breach or third-party attacks or attempts to illegally obtain the data that result in any actual or perceived release of Customer or User data could damage our reputation and brand, deter current and potential customers from using our products and services, damage our business, and expose us to potential legal liability.

The techniques used to obtain unauthorized, improper, or illegal access to our systems, or our user data, or to disable or degrade service or sabotage systems, are constantly evolving, may be difficult to detect quickly, and often are not recognized until after they have been launched against a target. The software underlying our platforms may contain undetected vulnerabilities which may be exploited by such techniques, see "*– Failure to maintain or improve our technology infrastructure could harm our business, results of operations, financial condition and prospects*." We may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative or remedial measures. Unauthorized parties may attempt to gain access to our systems or facilities through various means, including, among others, hacking into our or our financial institution partners' or Customers' or User's systems or facilities, or attempting to fraudulently induce our employees, partners, Customers, Users or others into disclosing usernames, passwords, or other sensitive information, which may in turn be used to access our information technology systems and gain access to our or our Customers' or our Users' data or other confidential, proprietary, or sensitive information. We are mandated under law to undertake audit of reasonable security practices and procedures for handling of sensitive personal data or information. There is no assurance that risks will not be highlighted in our internal audit reports in the future and this may lead to incurring of costs for addressing such risks, diversion of management's attention and regulatory actions.

Our failure, or the failure by our third party service providers or Customers or Users on our platforms, to comply with applicable laws or regulations or standards or any other contractual obligations relating to privacy, data protection, or information security, may cause a leak of our Customers' or Users' data, adversely affect our reputation and lead to termination of our agreements with the affected Customers. Under our agreements with our Customers, our Customers and our Company are required to ensure reasonable encryption and security measures at our respective websites, mobile applications and billing systems to prevent any hacking into information pertaining to transactions. We are also required to protect and keep confidential all information related to the

credit cards, net banking facilities or other payment data of Customers who are carrying out transactions through our platforms. We cannot assure you that our Customers or Users or we will be able to prevent all attempts of hacking and/or unauthorized disclosures of Customers or User data. Any compromise of security or cyber-attack that results in unauthorized access to, or use or release of personally identifiable information or other data relating to Customers, Users, or other individuals, or the perception that any of the foregoing types of failure or compromise has occurred, could damage our reputation, discourage new and existing Customers and Users from using our platform, or result in fines, investigations, or proceedings by governmental agencies and private claims and litigation, any of which could adversely affect our business, financial condition, cash flows and results of operations. Even if not subject to legal challenges, the perception of privacy concerns, whether or not valid, may harm our reputation and brand and adversely affect our business, its financial condition, and results of operations.

21. Regulatory or legislative developments regarding privacy and data security matters could adversely affect our ability to conduct our business.

Numerous domestic and international laws and regulations address privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws, rules, and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. Additionally, many laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. Changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could greatly increase the cost of providing our platform, require changes to our operations, or even prevent us from providing our platform in jurisdictions in which we currently operate and in which we may operate in the future.

As part of our operations, we are required to comply with the Information Technology Act, 2000 and the rules thereunder, each as amended and which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and unlawful disclosure of sensitive personal data or information. India has already implemented certain privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information, including sensitive personal data or information.

Additionally, the GoI published the Personal Data Protection Bill, 2019 in December 2019, which provides for a framework for protection of personal data and use of non-personal data and seeks to, among others, lay down norms for cross-border transfer of personal data, define the scope of the definition of personal data and non-personal data, establishment of a data protection authority and ensure the accountability of entities processing personal data. For further details, see "*Key Regulations and Policies*" on page 174.

We are also required to comply with standards such as the Payment Card Industry Data Security Standards issued by the Payment Card Industry Security Standards Council that are applicable to the transactions undertaken on our platforms. As a payment aggregator, we are required to submit a report on the system audit conducted by CERT-IN empaneled auditors, within two months of the closure of the financial year to the RBI. We are also required to submit an information systems audit report and cyber security audit report with observations noted, if any, including corrective/ preventive actions planned along with the closure date in respect of any cybersecurity incidents, externally audited and certain other reports periodically, as specified under the Payment Aggregators Guidelines. For further details, see "*Key Regulations and Policies*" on page 174. Further, in September 2019, the Ministry of Electronics and Information Technology formed a committee of experts ("**NPD Committee**") to study various issues relating to non-personal data ("**NPD**") and to make specific suggestions for consideration by the GoI on the regulation of NPD. The NPD Committee has released two reports till date which recommend, among other items, a framework to govern NPD (defined as any data other than personal data), access and sharing of NPD with government and corporations alike and a registration regime for 'data businesses', being businesses that collect, process, store or manage data, both personal and non-personal. Notwithstanding the fact that the NPD Committee has not determined the threshold which would mandate the registration of a 'data business', the introduction of new information technology-related legislation may require us to modify our existing systems, or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses and adversely affect our financial condition. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or adversely affect our reputation in the marketplace, which could have a material adverse effect on our business,

financial condition, results of operations and prospects.

Several jurisdictions have implemented new data protection regulations and others are considering imposing additional restrictions or regulations. We expect data protection regulations to continue to increase both in number, complexity and in the level of stringency. For instance, in the UAE, the UAE Central Bank has issued a new retail payment services regulation (the "**RPSCS Regulations**"), which will come into force after the transition period ends in June 2022. Pursuant to the RPSCS Regulations, our subsidiary in the UAE would need to apply for authorization by the end of the transition period to carry on its business. The entry into force of the General Data Protection Regulation (EU) 2016/679 ("**GDPR**"), in the European Union prompted various countries to begin processes to reform their data protection regimes. In many cases, these regulations have strict measures regulating both the transfer of data externally, and also the storage and transfer of data internally among our employees in the course of their work. As we continue to expand to the international markets, we may be subject to other local requirements in obtaining authorization to carry on our business. Moreover, these regulations may have conflicting and/or inconsistent requirements, and compliance with one data protection regime does not necessarily entail compliance with another data protection regime, and compliance with one data protection regime could potentially create conflicts in compliance with another data protection regime. Although we have not encountered any conflicting and/or inconsistent legal and regulatory requirements, there is no assurance that such conflicting and/or inconsistent requirements will not arise in the future. Any failure to comply with applicable data protection regimes could subject us to significant penalties and negative publicity, which could have a material adverse effect on our business, financial condition, reputation and results of operations.

22. There are pending litigations against our Company, our Promoters and certain Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, cash flows, financial condition and reputation.

Certain legal proceedings involving our Company, our Promoters and certain Directors are pending at different levels of adjudication before various courts, tribunals and authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments, which may increase expenses and current or contingent liabilities and may have an adverse effect on our business, cash flows, financial condition and reputation.

A summary of outstanding litigation proceedings involving our Company, our Promoters and certain Directors, as disclosed in "*Outstanding Litigation and Material Developments*" on page 300, in terms of the SEBI ICDR Regulations as of the date of this Draft Red Herring Prospectus is provided below:

Nature of cases	No. of cases	Total amount involved (in ₹ million)^
Litigation involving our Company		
Against our Company		
Civil litigation	2	1,771.50
Criminal litigation	1	-
Action taken by statutory and regulatory authorities	1	-
Taxation matters	2	1.89*
Other matters	1	-
Litigation involving our Directors		
Against our Directors		
Criminal litigation	1#	-
Litigation involving our Promoters		
Against our Promoters		
Criminal litigation	1#	-

^To the extent ascertainable
**Such amount excludes any interest or penalty in relation to such tax proceedings.*
#This is the same criminal litigation filed against our Company.

For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 300. We cannot assure you that any of the outstanding litigation matters will be settled in our favor, or that no additional liability will arise out of these proceedings. Our Company is in the process of litigating these matters, and based on the assessment in accordance with applicable accounting standards, our Company has presently not made provision for any of the pending legal proceedings. For details of our contingent liabilities, see "*Summary of the Offer Document – Summary of Contingent Liabilities of our Company*", "*–We have certain contingent liabilities which, if materialized, may adversely affect our financial condition*" and *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities*" on pages 16, 47 and 287, respectively.

In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or any other acts or omissions. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

23. We participate in markets that are competitive with continuously evolving technology and customer needs, and if we do not compete effectively with such established companies and new market entrants, our business, results of operations, cash flows and financial condition could be adversely affected.

We believe the principal competitive factors in India, the geographies in where we operate and the new geographies we are targeting for expansion include industry expertise, platform and product features and functionality, ability to build new technology and keep pace with innovation, scalability, extensibility, product pricing, security and reliability, brand recall and recognition, agility, and speed to market. We compete in markets characterized by vigorous competition, changing technology, changing Customer needs, evolving industry standards, and frequent introductions of new products and services. We expect competition to increase in the future as established and emerging companies continue to enter the markets we serve or attempt to address the problems that our platforms address. Moreover, as we expand the scope of services provided by our platform, we may face additional competition. We compete with domestic and international companies and some of these companies have greater financial resources and substantially larger bases of customers than we do, which may provide them with significant competitive advantages. These companies may devote greater resources to the development, promotion, and sale of services, and they may offer lower prices or more effectively introduce their own innovative services that adversely impact our growth. Mergers and acquisitions by these companies may lead to even larger competitors with more resources. We also expect new entrants to offer competitive products and services. Certain potential customers may have longstanding exclusive, or nearly exclusive, relationships with our competitors to accept payment cards and other services that we offer. These relationships may make it difficult or cost-prohibitive for us to conduct material amounts of business with them. On the other hand, our Customer agreements are non-exclusive, therefore allowing Customers to move to similar services offered by our competitors. Competing services tied to established brands may engender greater confidence in the safety and efficacy of their services. If we are unable to differentiate ourselves from and successfully compete with our competitors, we may be unable to attract new customers or retain existing Customers, and our business and results of operations could be materially and adversely affected. See "*– If we are unable to attract new Customers to our platform, retain and grow our relationships with our existing Customers, and increase transaction volumes processed on our platform, our business, and results of operations, financial condition, cash flows and prospects could be adversely affected*." on page 29.

We may also face pricing pressures from competitors. Some potential competitors are able to offer lower prices to their customers for similar products and services. Such competition may result in the need for us to alter the pricing we offer to our Customers and could reduce our revenue. For further details, see *"– If we are unable to maintain competitive pricing of our products and services or maintain low customer acquisition costs, we may not be able to attract and retain Customers and our operating margins may decline*" on page 30. Our competitors are continuously investing to innovate, grow their businesses and enhance customer reach and engagement, and can outcompete us in any of these areas. They may also be able to obtain certain licenses that we may be unable to obtain in the future, which may hinder our ability to offer certain services or access certain pools of liquidity that are the subject of such licenses. For instance, please see "*Government and Other Approvals – Pending Applications*" on page 304 and "*– We operate in a regulated industry and are subject to evolving laws and regulation governing our business. In particular, if we are unable to obtain the authorization from the RBI pursuant to the Payment Aggregators Guidelines, our business may be adversely affected or we may not be able to conduct our business at all*" on page 26 for details of the application made by our Company to the RBI to obtain authorization as a payment aggregator under the Payment Aggregators Guidelines. Increased investments made, lower prices or innovative services offered by our competitors may require us to divert significant managerial, financial and human resources in order to remain competitive, and ultimately may reduce our market share and negatively impact the revenues growth and profitability of our business.

If we are not able to compete effectively, we may not be able to retain Customers and financial institution partners and we may have to change our current business model for our business to cope with such changes. We cannot guarantee that our current business model will remain the same going forward. Further the level of economic activity and Customer engagement on our platform may decrease and our market share and profitability may be negatively affected, which could materially and adversely affect our business, financial condition, cash flows, results of operations and prospects, as well as our reputation and brand.

24. We rely on third-parties for certain aspects of our business, which creates additional risk, and the failure of third-parties to comply with legal or regulatory requirements or to effectively provide various products and services that are important to our operations could have an adverse effect on our business, results of operations, financial condition, and cash flows.

We depend on third-party service providers for certain services, such as financial, technology, and other services to support our operations, including cloud-based data storage and data centers, and payment processing. We also engage third party service-providers for conducting anti-money laundering checks and KYC verification as well as analytic functions to understand User behavior on our platform, for providing payment gateway services and API banking software. Our success depends on our ability to manage various service providers to provide reliable and satisfactory services. Our operations and business could be adversely affected if our third party service providers face any operational or system interruptions. Our collaboration with various partners is critical for us to address the needs of the payments life cycle of our Users. To the extent we are unable to effectively manage these third party service providers to provide satisfactory services on commercially acceptable terms or in a timely manner, or at all, or if we fail to retain existing or attract new quality partners to our platform, our ability to retain, attract or engage our Users may be severely limited, which may have an adverse effect on our business, financial condition, cash flows and results of operations.

For the purposes of our technology infrastructure, products and services, including our service offerings, we engage third parties providing cloud services, payment gateway services and data analysis services and incorporate their software, systems and technologies. We are dependent on the ability of our products and services to integrate with a variety of third-party operating systems, as well as web browsers that we do not control. Any changes in these third-party systems that degrade the functionality of our products and services, impose additional costs or requirements on us, or give preferential treatment to competitive services, including their own services, could materially and adversely affect usage of our products and services. For further details, see *"- Failure to maintain or improve our technology infrastructure could harm our business, results of operations, financial condition and prospects.*" on page 38. In addition, we rely on application marketplaces to increase the ease and volume of downloads for our PayMate App. While application marketplaces regularly make changes to their marketplaces, governments may also amend relevant and applicable laws and regulations. Such changes may conflict with existing business practices and thus make access to our services more difficult. In the event that it is difficult for our Customers and Users to access and use our products and services offered through application marketplaces, our business may be materially and adversely affected.

Most of our agreements with third-party service providers are terminable by either party in case of a breach or occurrence of adverse events, and if our current third-party service providers were to terminate their agreements with us or otherwise stop providing services to us on acceptable terms, we may be unable to procure service from alternative service providers in a timely and efficient manner and on acceptable terms or at all. Furthermore, our service agreements typically have short duration of one year, however, they are renewed automatically unless either party provides a written notice for termination prior to the commencement of the renewal term. If any service provider terminates the contract in an untimely manner, fails to provide the services we require, fails to meet contractual requirements (including compliance with applicable laws and regulations), fails to maintain adequate data privacy controls and electronic security systems, or suffers a cyber-attack or other security breach, we could be subject to regulatory enforcement actions, claims from third parties, including our Customers, and suffer economic and reputational harm that could have an adverse effect on our business. Further, we may incur significant costs to resolve any such disruptions in service, which could adversely affect our business.

In addition, our dependence on these third party service providers also exposes us to risks associated with their internal management, bankruptcy, change of management and financial condition, which could adversely affect our business and results of operations.

25. Our business depends on our brand, and any failure to maintain, protect and enhance our brand would harm our business.

We have developed a brand that has contributed to the success of our business. Maintaining, protecting, and enhancing our brand is critical to expand our base of Users and Customers, as well as increasing engagement with our products and services. This will largely depend on our ability to remain widely known, maintain trust, and continue to provide high quality and secure products and services. Any negative publicity about our industry or our Company, the quality and reliability of our products and services, our risk management processes, changes to our products and services, our ability to effectively manage and resolve user complaints, our privacy and security practices, litigation, regulatory activity, and the experience of Users or Customers with our products or services, could adversely affect our reputation and confidence in, and use of, our products and services. Harm to our brand

can arise from many sources, including failure by us or our financial institution partners to satisfy expectations of service and quality, inadequate protection of sensitive information, compliance failures and claims, litigation, third party trademark infringement claims, employee misconduct and misconduct by other counterparties. For instance, please see "*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Material civil litigation*" on page 301 for details in connection with a rectification petition filed against one of our Company's trademarks. For further details, please see "*–We are reliant on our contracts and arrangements with Visa Inc. in respect of B2B digital payments solutions and any disruptions of our relationship with Visa or termination of our contracts and arrangements will have an adverse effect on our growth prospects, business and results of operations*" on page 28. If we do not successfully maintain a well-regarded and widely known brand, our business could be adversely affected.

In the future, we may be the target of incomplete, inaccurate, and misleading or false statements about our Company, our business, and our products and services that could damage our brand and materially deter people from adopting our services. Negative publicity about our Company or our management, including about our product quality and reliability, changes to our products and services, privacy and security practices, litigation, regulatory enforcement, and other actions, as well as the actions of our Customers and Users, even if inaccurate, could cause a loss of confidence in us and harm our business. Our ability to respond to negative statements about us may be limited by legal prohibitions on permissible public communications by us during future periods.

26. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.

We intend to utilize the Net Proceeds of the Offer as set forth in "*Objects of the Offer"* beginning on page 98. The funding requirements mentioned as a part of the Objects of the Offer are based on internal management estimates in view of past expenditures, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies and since we have not presently entered into any definitive agreements for the use of Net Proceeds. Further, while we will from time to time continue to seek attractive inorganic opportunities for utilization of our Net Proceeds, the amount of Net Proceeds to be used for acquisitions will, subject to compliance with the provisions of the SEBI ICDR Regulations, be based on our management's discretion and we have not presently entered into any definitive agreements in this regard. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, our plan to invest in new businesses and inorganic expansion could be delayed due to failure to receive regulatory approvals, technical difficulties, human, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. For further details, see *"– Acquisitions and strategic investments could disrupt our business, divert our management's attention, result in dilution of our Shareholders stake and adversely affect our business and results of operations.*" on page 36. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Further, we may not be able to attract personnel with sufficient skills or sufficiently train our personnel to manage our expansion plans.

Accordingly, use of the Net Proceeds for the purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

27. We depend on our Key Managerial Personnel, as well as our employees, and any failure to attract, motivate, and retain our employees could harm our ability to maintain and grow our business.

Our future success is significantly dependent upon the continued service of our Key Managerial Personnel, executives and other employees, including our Promoters. If we lose the services of any member of management or any Key Managerial Personnel, we may not be able to find a suitable or qualified replacement, which could severely disrupt our business and growth. To maintain and grow our business, we will need to identify, hire, develop, motivate, and retain skilled employees. Identifying, recruiting, training, integrating, and retaining qualified individuals requires significant time, expense, and attention. We may need to invest significant amounts of cash and equity to attract and retain new employees and expend significant time and resources to identify, recruit, train, and integrate such employees, and we may never realize returns on these investments. If we are unable to effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to meet forecasts, and employee morale, productivity, and engagement could suffer, which could adversely affect our business, financial condition, cash flows and results of operations. We face intense competition in the industry in which we operate for skilled employees especially for our product and technology team. We have an engineering team of 28 employees, product management team of 4 employees and product designing team of 3

employees as on December 31, 2021. Our number of employees decreased from 100 as of March 31, 2019 to 81 as of December 31, 2021. To attract and retain talent, we have had to offer, and we believe we will need to continue to offer, competitive compensation and benefits packages. We may need to offer more attractive compensation and other benefits packages to attract new talent and retain our existing personnel.

In addition, from time to time, there may be changes in our management team that may be disruptive to our business. If our management team, including any new hires that we make, fails to work together effectively and to execute our plans and strategies on a timely basis, our business could be harmed. If we are unable to effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to meet forecasts, and employee morale, productivity, and engagement could suffer, which could adversely affect our business, financial condition, cash flows and results of operations.

28. We do not have insurance coverage to cover our business risks.

We maintain a directors and officers' liability insurance policy, a group health insurance policy for our employees and a general office package insurance. As on December 31, 2021, the amount of our insured assets was ₹7.23 million, representing more than 100% of our property, plant and equipment and 18.82% of our total assets (including certain of our assets which not insurable). We have not obtained insurance policies to cover potential risks and liabilities, such as cyber security, business interruption or commercial general liability for our business. Accordingly, we do not have any coverage to compensate for losses that may occur, particularly with respect to loss of business or operations. Any business disruption, litigation, regulatory action, outbreak of an epidemic disease, adverse weather conditions or natural disasters could also expose us to substantial costs and diversion of resources. If we incur any loss, our business, cash flows, financial condition and results of operations could be adversely affected. For further details in relation to our insurance coverage, see *"Our Business – Insurance*" on page 172.

29. Our disaster recovery plans and procedures may be inadequate for any disruptions or damage in technology infrastructure could lead to interruptions of our operations and adversely affect our business.

Our technology infrastructure and the technology infrastructure of our third-party providers are vulnerable to damage or interruption as a result of software or hardware malfunctions, system implementations or upgrades, computer viruses, third-party security breaches, employee error, misuse, war, natural calamities, power loss, telecommunications failures, cyber-attacks, human error, and other similar events. Disruptions or damage in our technology infrastructure and the technology infrastructure of our third-party providers could lead to extended interruptions of our operations, a corresponding loss of revenue and profits, cause breaches of data security, loss of intellectual property or critical data, or the release and misappropriation of sensitive information, or otherwise impair our operations. Further, as our operations are primarily based in Mumbai, we are subject to the concentrated risk of any disruptions or damage in our office premises, property or other infrastructure in Mumbai. While we have disaster recovery arrangements in place, our disaster recovery and data redundancy plans may be inadequate, and we do not have business interruption insurance to compensate us for the losses that could occur. If any such event were to occur, our business, financial condition, cash flows and results of operations may be adversely affected.

30. We are exposed to many types of operational risks, including the risk of misconduct and errors by our employees and other service providers.

We are exposed to many types of operational risk, including the risk of misconduct, oversight and errors by our employees and other service providers and the contractual risk of indemnifying certain of our financial institution partners from losses arising from our employees' negligence. Our business depends on our employees and service providers to process a large number of increasingly complex transactions, including transactions that involve significant amounts that involve the use and disclosure of personal and business information. We could be adversely affected if transactions were redirected, misappropriated, or otherwise improperly executed, personal and business information was disclosed to unintended recipients, or an operational breakdown or failure in the processing of other transactions occurred, whether as a result of negligence, human error, a purposeful sabotage or a fraudulent manipulation of our operations or systems. In addition, the manner in which we store and use certain personal information and interact with Customers through our platforms is governed by various laws. For further details, see "*– Any privacy or data security breach, cyber-attacks or internal misconduct could damage our reputation and brand and substantially harm our business and any actual or perceived failure by us to comply with contractual obligations relating to privacy or the protection or transfer of data relating to individuals, could adversely affect our business, financial condition, cash flows and results of operations.*" on page 39. If any of our

employees or service providers take, convert or misuse funds, documents, or data, or fail to follow protocol when interacting with Customers, we could be liable for damages and subject to regulatory actions and penalties. We could also be subject to civil or criminal liability. It is not always possible to identify and deter misconduct or errors by employees or service providers, and the precautions we take to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses. Our resources, technologies and fraud prevention tools may be insufficient to accurately detect and prevent fraud. Any of these occurrences could diminish our ability to operate our business, increase our potential liabilities to Customers, and may lead to an inability to attract future Customers and Users, cause reputational damage, attract regulatory intervention, and cause financial harm, any or all of which could negatively impact our business, results of operations, cash flows, financial condition, and prospects.

31. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other rights.

Intellectual property and other rights are important to the success of our business. Our ability to compete effectively is dependent in part upon our ability to obtain, maintain, protect, and enforce our intellectual property and other rights, including our technology, and to obtain licenses to use the intellectual property and other rights of others, as may be required. We rely on a combination of trademarks, domain names, and agreements with employees and third parties to protect our intellectual property and other rights. For further details in relation to our intellectual property rights, see *"Our Business – Intellectual Property"* on page 171. Nonetheless, the steps we take to obtain, maintain, protect, and enforce our intellectual property and other rights may be inadequate. Despite our efforts to protect these rights, unauthorized third parties, including our competitors, may be able to duplicate, mimic, reverse engineer, access, obtain, or use aspects of our technology, processes or services without our permission. Our competitors and other third parties may also design around, independently develop similar technology, otherwise duplicate, or mimic our products and services such that we would not be able to successfully assert our intellectual property or other rights against them. We cannot assure that any future patent, trademark, or service mark registrations will be issued for our pending or future applications or that any of our current or future patents, copyrights, trademarks, or service marks (whether registered or unregistered) will be valid, enforceable, sufficiently broad in scope, provide adequate protection of our intellectual property or other rights, or provide us with any competitive advantage.

We may be unable to prevent competitors or other third parties from acquiring or using trademarks, service marks, or other intellectual property or other rights that are similar to, infringe upon, misappropriate, dilute, or otherwise violate or diminish the value of our trademarks and service marks and our other intellectual property and rights. In addition, we cannot guarantee that we have entered into agreements containing obligations of confidentiality with each party that has or may have had access to information, know-how, or trade secrets owned or held by us. Moreover, our contractual arrangements may be breached or may otherwise not effectively prevent disclosure of, or control access to, our confidential or other information or provide an adequate remedy in the event of an unauthorized disclosure. The measures we have put in place may not prevent misappropriation, infringement, or other violation of our intellectual property or other rights or information and any resulting loss of competitive advantage, and we may be required to litigate to protect our intellectual property or other rights or information from misappropriation, infringement, or other violation by others, which may be expensive, could cause a diversion of resources, and may not be successful, even when our rights have been infringed, misappropriated, or otherwise violated. The cost of protecting our intellectual property or other rights or information may be further increased as we expand to international markets, where we are subject to different sets of rules and regulations, or where the infringing party may have an added advantage due to familiarity with local rules and regulations.

As the number of services in the digital payments software industry increases and the functionalities of these services further overlap, as we acquire technology through acquisitions or licenses and as we expand to international markets, we may become increasingly subject to infringement claims, including patent, copyright, and trademark infringement claims. We may be accused of infringing intellectual property or other rights of third parties, including serial trademark and patent individual squatters, including their copyrights, trademarks, or patents, or improperly using or disclosing their trade secrets, or otherwise infringing or violating their rights. For instance, a rectification petition has been filed by Paymate Pty Ltd., a company incorporated in Australia, against our Company alleging wrongful registration of our Company's trademark under class 36. For further details, see "*Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company - Material civil proceedings*" on page 301.

Furthermore, the legal standards relating to the validity, enforceability, and scope of protection of intellectual property and other rights are still evolving. Our intellectual property and other rights may not be sufficient to provide us with a competitive advantage and the value of our intellectual property and other rights could also

diminish if others assert rights therein or ownership thereof, and we may be unable to successfully resolve any such conflicts in our favor or to our satisfaction.

32. Our Promoters, Key Managerial Personnel and certain Directors have interests in our Company in addition to their remuneration and reimbursement of expenses.

Our Promoters, Key Managerial Personnel and certain Directors are interested in our Company to the extent of their respective shareholding and that of their immediate relatives in our Company as well as to the extent of any employee stock options held by them, dividends, bonus or other distributions on such Equity Shares and also to the extent of their directorship on the board of directors of, and/or their shareholding in our Group Company, each as applicable. While the actions carried out by our Company post-listing will be subject to Board and Shareholder approval, as necessary under the Companies Act and the SEBI Listing Regulations, in the interest of the Company and its minority Shareholders and in compliance with the SEBI Listing Regulations, we cannot assure you that our Promoters, members of the Promoter Group, respective Directors and Key Managerial Personnel will exercise their rights as Shareholders to the benefit and best interest of our Company or not take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority Shareholders. For further details of the interests of our Promoters, members of the Promoter Group, Key Managerial Personnel and certain Directors, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Capital Structure*", "*Our Management – Interest of our Directors*", "*Our Management – Interest of the Key Managerial Personnel*" and "*Promoters and Promoter Group – Interests of the Promoters*" on pages 79, 198, 206 and 208.

33. We rely on telecommunications and information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our ability to effectively operate our platforms or provide our products and services.

Our business could be impacted by the failure of telecommunications network operators to provide us with the requisite bandwidth which could also interfere with the speed and availability of our platform, as well as by breakdowns at the level of our internet service providers. For instance, in the past, we have faced minor interruptions due to internet service providers ("**ISPs**") and telecommunication issues for a short duration. Additionally, systems, application components and software that are developed internally may contain undetected errors, defects or bugs, which we may not be able to detect and repair in time, in a cost-effective manner or at all. For more details, see "- *Failure to maintain or improve our technology infrastructure could harm our business, results of operations, financial condition and prospects*" on page 38. In such circumstances, we may be liable for all or some costs and damages, as we would not be entitled to any indemnification or warranty that may have been available if we had obtained such systems or software from third-party providers. Disruptions or instabilities in telecommunications networks, our platforms, servers and databases as well as the functioning of internet service providers could lead to dissatisfaction among our Users and damage our reputation.

In addition, to perform reliably, the fixed telecommunications networks and internet infrastructure of ISPs in India, and in any other locations that we may operate in, require maintenance and periodic upgrading of the appropriate networks and infrastructure which are beyond our control. We cannot assure you that our back-up and disaster recovery measures and business continuity planning would effectively eliminate or alleviate the risks arising from the above contingencies. For more details, see "- *Our disaster recovery plans and procedures may be inadequate for any disruptions or damage in technology infrastructure could lead to interruptions of our operations and adversely affect our business*" on page 45. Our success will depend upon third parties maintaining and improving internet infrastructure to provide a reliable network with adequate speed and data capacity and telecommunication networks with good quality of services and low congestion.

34. We have certain contingent liabilities which, if materialized, may adversely affect our financial condition.

As at December 31, 2021, we had certain contingent liabilities, as set out in the table below:

(*in ₹ million*)

Particulars	**As at December 31, 2021**
Bank guarantee given to various parties	0.46
Income tax demand	1.66
Service tax demand	1.19
Total	**3.31**

In the event, any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in future, our financial conditions could adversely be affected. For further details, see "*Financial Statements*" on page 214.

35. Any impairment of goodwill or other intangible assets could adversely affect our financial position.

We are obliged to test for impairment of goodwill and other intangible non-current assets. Goodwill measurement must also take place when events or changed circumstances indicate that the carrying amount is higher than the recoverable amount. Our intangible non-current assets mainly comprise trademarks and goodwill of acquired software, and may increase as we continue to develop new technologies. If operational, regulatory or macroeconomic conditions of the economy or in the industry we operate in develop in a way that deviates from our results of operation in the past, such that our business and financial conditions are adversely affected, the need for further impairment of goodwill and other intangible assets may arise. Any write down goodwill or other intangible assets in our Company or our Subsidiaries would cause a corresponding cost in the profit and loss account which would have a material adverse effect on our financial position.

36. Any failure by us or our Customers and financial institution partners who work with us to comply with applicable anti-money laundering, counter-terrorist financing and economic sanction laws and regulations could lead to penalties and may damage our reputation.

We and our financial institution partners who work with us are required to comply with certain anti-money laundering requirements in India and other regulators in the jurisdictions where we and our financial institution partners operate. These requirements include the establishment of a client identification program, the monitoring and reporting of suspicious transactions, the preservation of client information and transaction records, and the provision of assistance in investigations and proceedings in relation to money laundering matters. We and our financial institution partners are also subject to various counter-terrorist financing and economic sanction laws and regulations that prohibit, among other things, any involvement in transferring the proceeds of criminal activities and any activities involving restricted countries, organizations, entities and persons that have been identified as unlawful actors or that are subject to US sanctions imposed by the U.S. Department of the Treasury of Foreign Assets Control ("**OFAC**"), or other international economic sanctions that prohibit us and our financial institution partners from engaging in trade or financial transactions with certain countries, businesses, organizations and individuals. These laws and regulations require us and our financial institution partners to establish sound internal control policies and procedures with respect to anti-money laundering, counter-terrorist financing and economic sanction monitoring and reporting obligations. Although we do not conduct any business, directly or indirectly, with any persons on the designated lists published by OFAC to which prohibitions would apply, if additional sanctions are imposed or if other stakeholders of our business are added to the designated lists, it is possible that they could have an adverse impact on our operations.

The policies and procedures we and our financial institution partners have adopted may not be effectively implemented in protecting our services from being exploited for money laundering, terrorist financing and other illegal purposes. If we fail to comply with anti-money laundering, counter-terrorist financing and economic sanction laws and regulations, we will be subject to fines, enforcement actions, regulatory sanctions, additional compliance requirements, increased regulatory scrutiny of our business, or other penalties levied by regulators, and damages to our reputation, all of which may adversely affect our business operations, and results of operations. In particular, if we are publicly named as a sanctioned entity by relevant regulatory authorities or become subject to investigation, our business may be significantly interrupted and our reputation might be severely damaged. Similarly, if our financial institution partners fail to comply with applicable laws and regulations, it could disrupt our services and could result in potential liability for us and damage our reputation. We and our financial institution partners have been and will continue to be required to make changes to our and their respective compliance programs in response to any new or revised laws and regulations on anti-money laundering, counter-terrorist financing and economic sanctions, which could make compliance costlier and operationally difficult to manage.

37. After the completion of the Offer, certain of our existing and future Shareholders may be able to exert significant influence over our Company which may limit your ability to influence the outcome of matters submitted for approval of our Shareholders.

Following the completion of the Offer, certain existing Shareholders and Visa will continue to hold approximately [•]% and [•]% of our post-Offer Equity Share capital, respectively, and certain existing Shareholders (including one of our Promoters, Ajay Adiseshan) are entitled, pursuant to the PayMate SHA and AoA, to nominate directors to our board. For details of their shareholding and rights pre- and post-Offer, see "*Capital Structure*" on page 79

and for details of the director nomination right, see "*History and Certain Corporate Matters – Shareholders' agreements and other material agreements*" on page 189. Such shareholding could limit your ability to influence corporate matters requiring Shareholder approval, especially the resolutions which are required to be approved by way of special resolutions by the Shareholders under the provisions of the Companies Act and the SEBI Listing Regulations. This concentration of ownership may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult without the support of these Shareholders. The interests of our significant Shareholders could conflict with our interests or the interests of our other Shareholders. While the actions carried out by our Company post-listing will be subject to Board and Shareholder approval, as required under the Companies Act and the SEBI Listing Regulations, in the interest of the Company and its minority Shareholders and in compliance with the SEBI Listing Regulations, any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

38. There have been inadvertent inaccuracies in certain of our regulatory filings and corporate records and we have been unable to locate certain of our historical corporate records.

There have been inadvertent factual discrepancies and inconsistencies in certain of the forms filed by our Company for the purpose of allotment of shares, including the following:

a) With respect to the allotment of 3,862 FCPS to Sherpalo Mauritius LLC on November 16, 2006, the amount paid per share on application has been inadvertently mentioned as ₹14,694.45 instead of ₹14,781.84 in the form filing;

b) With respect to the allotments of 3,862 NCPCCPS (converted subsequently into FCPS) to Murugan Capital and 3,862 FCPS to Sherpalo Mauritius LLC on November 16, 2006, the shares were inadvertently recorded as 'non-cumulative participating optionally convertible preference shares' instead of 'NCPCCPS' in the resolution passed by the Board for allotment; and

c) With respect to the allotments of 363 NCPCCPS to Sherpalo Mauritius LLC, 545 NCPCCPS to Murugan Capital, 545 NCPCCPS to Mayfield FVCI, Ltd on September 18, 2009, the shares were inadvertently recorded as 'FCPS' instead of 'NCPCCPS' in the form filing.

For details on the allotments, see "*Capital Structure - Share capital history of our Company – The history of preference share capital of our Company*" on page 83.

Accordingly, reliance has been placed on and appropriate disclosures have been made in this Draft Red Herring Prospectus pursuant to the due diligence of the other relevant corporate records available with our Company such as the minutes of the relevant meetings of the Board.

Further, certain corporate records of our Company in relation to certain issuances of FCPS by our Company are not traceable. Such untraceable board minutes pertain to the approval of the following issuances by our Board:

a) preferential allotment of 1,820 FCPS to Sherpalo Mauritius LLC and 1,820 FCPS to Murugan Capital on October 22, 2007; and

b) preferential allotment of 2,042 FCPS to Sherpalo Mauritius LLC and 2,042 FCPS to Murugan Capital on March 24, 2008.

For further details on the allotments, see "*Capital Structure - Share capital history of our Company – The history of preference share capital of our Company*" beginning on page 83.

Accordingly, reliance has been placed on resolutions passed by our Board approving the allotment of the Equity Shares and forms filed by our Company with the RoC for corroborating the share capital history of our Company.

We cannot assure you that such inaccuracies and non-compliances will not happen in the future and that our Company will not be subject to any action by statutory authorities which may adversely affect our operations and financial position.

39. Our risk management policies and procedures may not be fully effective in mitigating our risk exposure in all market environments or against all types of risks, which could expose us to losses and liability and otherwise harm our business.

We operate in a rapidly changing industry, and we have experienced significant change in recent years.

Accordingly, our risk management policies and procedures may not be fully effective in identifying, monitoring and managing our risks. Some of our risk evaluation methods depend upon information provided by others and public information regarding markets, consumers or other matters that are otherwise inaccessible by us. In some cases, however, that information may not be accurate, complete or up-to-date. If our policies and procedures are not fully effective or we are not always successful in capturing all risks to which we are or may be exposed, we may suffer harm to our reputation or be subject to litigation or regulatory actions that could have a material adverse effect on our business, financial condition and results of operations.

As a greater number of Users use our services, we expect our exposure to material losses from a single User, or from a small number of Users to increase. In addition, when we introduce new services, focus on new business types, or begin to operate in markets in which we have a limited history, we may be less able to forecast and reserve accurately for those losses. Moreover, as we rely on third party service providers, our risk management policies and processes may not be sufficient to monitor compliance by such third parties with applicable laws and regulations, including anti-money laundering laws. We may incur significant costs with respect to monitoring third party service providers. Furthermore, if our risk management policies and processes contain errors or are otherwise ineffective, we may suffer large financial losses, we may be subject to civil and criminal liability, and our business may be adversely affected.

40. We may not be able to obtain financing on favorable terms or at all.

We may require additional cash resources due to future growth and development of our business, including any investments or acquisitions we may decide to pursue. If our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional Equity Shares or debt securities or obtain new or expanded credit facilities.

Our ability to obtain external financing in the future is subject to a variety of uncertainties. Indian companies may be required to complete filings with the applicable regulatory authorities before the launch of any onshore or offshore debt issuance. These filing and approval procedures will take time, which may result in our missing the best market windows for debt or equity issuances in the future. In addition, incurring indebtedness would subject us to increased debt service obligations and could result in operating and financial covenants that would restrict our operations. Our ability to access international capital and lending markets may be restricted at a time when we would like, or need, to do so, especially during times of increased volatility and reduced liquidity in global financial markets and stock markets, including due to policy changes and regulatory restrictions, which could limit our ability to raise funds. There can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to us, or at all. Any failure to raise needed funds on terms favorable to us, or at all, may impact our liquidity as well as have a material adverse effect on our business, cash flows, financial condition and results of operations.

41. Our Company will not receive the entire proceeds from the Offer. Some of our Shareholders, including our Promoters, are selling Equity Shares in the Offer and will receive proceeds as part of the Offer for Sale. Further, a portion of the Offered Shares, held by IPO Wealth Holdings, one of the Selling Shareholders, is subject to a dispute as of the date of this Draft Red Herring Prospectus and we cannot assure you that such dispute will be resolved in a timely manner or at all.

The Offer includes a Fresh Issue of [•] Equity Shares aggregating up to ₹11,250.00 million by our Company and an Offer for Sale of up to [•] Equity Shares aggregating up to ₹3,750.00 million by the Selling Shareholders including our Promoters. The proceeds from the Offer for Sale will be paid to the Selling Shareholders including our Promoters (who are also our Directors), in proportion of the respective portion of their Offered Shares (net of their proportion of the Offer-related expenses), and our Company will not receive such proceeds. For further details, see "*Objects of the Offer*" on page 98.

IPO Wealth Holdings, one of the Selling Shareholders, is currently in liquidation in the Commonwealth of Australia. In accordance with the orders by the relevant courts, Hamish Alan MacKinnon and Nicholas Giasoumi of Dye & Co. Pty. Ltd. have been appointed as the liquidators of IPO Wealth Holdings and in such capacity, have provided their consent for IPO Wealth Holdings' participation in the Offer for Sale as a Selling Shareholder. However, the 2,768 NCPCCPS held by IPO Wealth Holdings ("**IWH Shares**") (*i.e.* 3.65% of our paid-up Equity Share capital on a fully diluted basis), as on the date of this Draft Red Herring Prospectus, which are proposed to be converted into Equity Shares prior to the filing of the Red Herring Prospectus (a portion of which would form part of the Offer for Sale), are subject to a claim by a third party that intends to assert an interest with respect to the ownership of such NCPCCPS (and accordingly, the Equity Shares into which they will be converted).

While, to the Company's knowledge, no legal action has been taken in any court of competent jurisdiction in respect of the IWH Shares, if such dispute is pending as of the date of filing of the Red Herring Prospectus, the Offer process may be adversely affected, including reduction of the Offer for Sale portion to the extent of such Equity Shares and diversion of the attention of our management towards dealing with such dispute.

42. Certain sections of this Draft Red Herring Prospectus contain information from RedSeer which has been commissioned and paid for by us exclusively for the purpose of the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Pursuant to being engaged by us, RedSeer, prepared a report on our industry titled, "*Opportunities in B2B Payments in India*" dated May 16, 2022 ("**RedSeer Report**"). Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the RedSeer Report or extracts of the RedSeer Report. We have commissioned and paid for the services of RedSeer for the RedSeer Report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the RedSeer Report as its source, as applicable. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the RedSeer Report should be read taking into consideration the foregoing. We have no direct or indirect association with RedSeer other than as a consequence of such an engagement.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, the RedSeer Report is not a recommendation to invest / disinvest in any company covered in the RedSeer Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on, this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the RedSeer Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the RedSeer Report before making any investment decision regarding the Offer. See "*Industry Overview*" on page 116. For the disclaimers associated with the RedSeer Report, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data*" on page 21.

43. Any variation in the utilisation of the Net Proceeds as disclosed in this DRHP shall be subject to certain compliance requirements, including prior Shareholders' approval. If there are delays or cost overruns in utilization of Net Proceeds, our business, financial condition and results of operations may be adversely affected.

We intend to use the Net Proceeds for the following purposes:

a) Investment for expanding our business in new geographies;

b) Pursuing inorganic initiatives;

c) Placing cash as collateral with our financial institution partners to improve our margins; and

d) General corporate purposes.

Given the nature of our business and due to various uncertainties involved, we may be unable to utilize the Net Proceeds within the time frame or as per the schedule of deployment that we currently estimate. Further, the deployment of the proceeds from the Fresh Issue is entirely at the discretion of our Company. Also, such fund requirements have not been appraised by any bank, financial institution or other independent agency. For further details, see "– *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.*" on page 44. In the case of increase in actual outlay or shortfall in requisite funds, additional funds for the purpose will be met by means available to us, including internal accruals. Further, while our management is required to temporarily deposit the Net Proceeds, pending utilization, with Scheduled Commercial Banks listed in Schedule II of the Reserve Bank of India Act, 1934, there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary investments.

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds, as disclosed in the offer documents, without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling Shareholders would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to modify the Objects of the Offer, at a price and in such manner as may be prescribed by SEBI. Additionally, the requirement of our Promoters or controlling Shareholders to provide an exit opportunity to such dissenting Shareholders may deter the Promoters or controlling Shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling Shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price and in such manner which may be prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of Objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or may result in delays or cost overruns in utilization of the Net Proceeds, which may adversely affect our business, financial condition and results of operations. For further details on the utilization of Net Proceeds, see "*Objects of the Offer*" beginning on page 98.

44. We track certain operational metrics with internal systems and tools which are not prepared under or required under Ind AS. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.

We track certain operational metrics, including revenue, profit/(loss) after tax and key business and non-GAAP metrics such as TPV, Gross Margin, Net Margin, EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Net Worth, Return on Net Worth and Net Asset Value per Equity Share among others, with internal systems and tools and have also been included in this Draft Red Herring Prospectus. These metrics may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools may have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over-count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies.

These are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, these metrics are not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation, or as a substitute for financial information presented in the Restated Financial Statements, as prepared in accordance with Ind AS. Also there are significant limitations to using these metrics as measures of performance, including the lack of comparability of results of operations of different companies and different methods of calculating these metrics reported by different companies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, cash flows and results of operations would be adversely affected. See "*Management's Discussion and Analysis of our Results of Operations*" and "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Non GAAP Financial Measures*" on pages 277 and 21 for more details.

45. We may be unable to renew our existing lease for our Registered and Corporate Office and our office in UAE.

Our Registered and Corporate Office is located on a leased property in Mumbai. Our lease is valid until December 31, 2024, subject to a lock-in period of three years, *i.e.* until December 31, 2022. A termination of the agreement during the lock-in period by us would require us to pay the licensor the residual aggregate amount of the monthly license fee for the remainder of the lock-in period. Further, the licensors have the right to automatically terminate

the agreement without giving us any further notice or execution of any further documents upon occurrence of certain events including winding up of the Company, commencement of distress proceedings in respect of any assets of our Company, or induction of persons on the Registered and Corporate Office premises in contravention of the agreement. Further, in the event that our Company merges with or is acquired by another entity, we are required to intimate the licensors of such event, whereupon the licensors may, at their discretion, choose to terminate the agreement with 30 days' notice. Further, we also have leased premises in Dubai, UAE as our office premises. In the event that the existing leased are terminated or it is not renewed on commercially acceptable terms, or at all, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, sizes or locations, our business, financial condition, cash flows and results of operations may be adversely affected. Further, any regulatory non-compliance by the licensors or adverse developments relating to the licensors' title or ownership rights to such property, including as a result of any non-compliance by the licensors, may entail disruptions to our operations, especially if we are forced to vacate leased space following any such developments. In addition, lease agreements are required to be duly registered and adequately stamped under Indian law and if our lease agreement or other agreements entered into by us, are not or adjudged to not be duly registered and adequately stamped, we may face challenges in enforcing them and they may be inadmissible as evidence in a court in India along with the requirement that the requisite stamp duty prescribed under applicable Indian law be paid by us along with possible penalties.

46. We have entered into, and will continue to enter into, related party transactions which may potentially involve conflicts of interest.

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. For details regarding our related party transactions, see *"Financial Statements – 29. Related party transactions*" on page 259. While we believe that all such related party transactions that we have entered into are conducted on an arms' length basis in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions that we may enter into post-listing, will be subject to Board or Shareholder approval, as necessary under the Companies Act and the SEBI Listing Regulations, in the interest of the Company and its minority Shareholders and in compliance with the SEBI Listing Regulations, we cannot assure you these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that our Directors and executive officers will be able to address such conflicts of interests or others in the future.

47. Our Statutory Auditors have included a matter of emphasis in their audit report on the special purpose interim consolidated Ind AS financial statements as at and for the nine months ended December 31, 2021 and RVKS and Associates, Chartered Accountants, have included matters of emphasis in their audit report on the special purpose consolidated Ind AS financial statements as at and for Fiscals 2020 and 2021.

Our Statutory Auditors have included a matter of emphasis in their audit report on the special purpose interim consolidated Ind AS financial statements as at and for the nine months ended December 31, 2021. RVKS and Associates, Chartered Accountants, have included matters of emphasis in their audit report on the special purpose consolidated Ind AS financial statements as at and for Fiscals 2020 and 2021.These are in the nature of, among other things, the potential liability arising from non-compliance with filing obligations of the Annual Returns with the Registrar of Companies, Mumbai. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Auditor Qualifications and Emphasis of Matter*" on page 297. There can be no assurance that any similar remarks or matters of emphasis will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our financial condition may be adversely affected.

External Risks

48. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect e-commerce in general, which could lead to new compliance requirements, including requiring us to obtain additional approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements, which can lead to uncertainty in our operations and could adversely affect our business, prospects and results of operations.

For instance, the GoI has introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labor legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. The GoI also published the Personal Data Protection Bill, 2019, which provides for a framework for protection of personal data and use of non-personal data, see "*– Regulatory or legislative developments regarding privacy and data security matters could adversely affect our ability to conduct our business*" on page 40 for further details.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our business in the future.

49. Changes in the taxation system in India could adversely affect our business.

Our business, financial condition and results of operations could be adversely affected by any change in the extensive central and state tax regime in India applicable to us and our business. Tax and other levies imposed by the central and state governments in India that affect our tax liability, include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges, which are introduced on a temporary or permanent basis from time to time. This extensive central and state tax regime is subject to change from time to time. The final determination of our tax liability involves the interpretation of local tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred.

For instance, the GoI has implemented two major reforms in Indian tax laws, namely the GST, and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by Goods and Service Tax with effect from July 1, 2017. The GST regime is relatively new and therefore is subject to amendments and its interpretation by the relevant regulatory authorities. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Further, the GoI recently proposed additional tax measures in Finance Bill, 2022 and Union Budget for Fiscal 2023 which, among others, requires the taxpayers to explain sources of cash credits, introduces a separate 30% tax on income from virtual digital assets, extended the anti-tax avoidance provision to bonus stripping of securities and repeals the 15% concessional rate on foreign dividends. There is no certainty of how these proposed tax measures may have an impact on our Customers and financial institution partners, our business and operations or the industry in which we operate.

Our companies operating in India may choose not to claim any of the specified deductions or exemptions and claim the lower corporate tax, in which case, the minimum alternate tax provisions would not be applicable. Alternatively, we may choose to pay the higher rate of corporate tax; i.e., 30% or 25%, as the case may be, plus applicable surcharge and cess, after claiming the applicable deductions and exemptions or the minimum alternate tax at the rate of 15% plus applicable surcharge and cess. As such, there is no certainty on the impact that these amendments may have on our business and operations or on the industry in which we operate.

Further, the Finance Act, 2020, has, amongst others things, notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax

regime and that dividend distribution tax (**"DDT**"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

With several proposals to introduce further regulatory compliances, additional conditions to be met to receive benefits under existing regimes being introduced, upon any such proposals being notified, we may also become subject to *inter alia* additional compliances and increased associated costs. For instance, under the Finance Act, 2021, with effect from July 1, 2021, higher TDS rates are applicable in the event of failure of certain compliances, including of linking Aadhar with permanent account numbers, or other conditions being proposed including to display QR codes on invoices for B2C transactions which could pose operational and implementation challenges given the large number of orders in invoices.

50. The ability of foreign investors to invest in our Company may be constrained by Indian law.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI, from time to time. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all. In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**"), as consolidated in the FDI Policy with effect from October 15, 2020, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Any such approval(s) would be subject to the discretion of the regulatory authorities. This may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the relevant governmental agencies can be obtained on any particular terms or at all. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 348.

Further, in terms of notification dated June 14, 2021 issued by the RBI, new investors from FATF non-compliant jurisdictions such as Mauritius, Cayman Islands and Uganda are not permitted to acquire, directly or indirectly, 20% or more of the voting power of any existing payment system operators ("**PSOs**") or any entity seeking authorization as a PSO. However, existing investors may continue holding their investments in PSOs made prior to classification of their jurisdiction as FATF non-compliant and/or bring in additional investments as per the extant regulations. Our ability to set up other regulated businesses may also be subject to the requirements of this notification, and have similar implications.

Moreover, the exchange control regulations we are subject to constrain our ability to remit dividends to our Shareholders. There is no assurance that your dividends will not subject to any delay or deduction. In addition, the exchange control regulations we are subject to could affect the availability of cash and cash equivalents for use by our Company, which may adversely affect our business, results of operations, financial condition and cash flows.

51. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating improved from Baa3 with a "negative" outlook to Baa3 with a "stable" outlook by Moody's in October 2021 and was affirmed to be BBB- with a "negative" outlook by Fitch in November 2021; and decreased from BBB to BBB "low" by DBRS in May 2021. India's sovereign rating from S&P is BBB- with a "stable" outlook. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or

fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business, cash flows and financial performance and the price of the Equity Shares.

52. Political, macroeconomic, demographic and other changes could adversely affect economic conditions in India.

Our Company is incorporated in India and derives the majority of its revenue from operations in India and the majority of its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, and other social, political and economic developments affecting India. The Indian economy differs from the economies of most developed countries in many respects, including the degree of government involvement, level of development, growth rate, and control of foreign exchange and allocation of resources. While the Indian economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. The Indian government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Indian economy, but may have a negative effect on us.

Our business results depend on a number of general macroeconomic and demographic factors in India which are beyond our control. In particular, our revenue and profitability are strongly correlated to economic activity in India, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and consumer confidence. Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, rising interest rates or other industry-wide cost pressures could also affect the Indian economic outlook and lead to a decline in our sales and earnings.

Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- Inflation rates; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

53. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Furthermore, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

Moreover, throughout 2021, the Russian military build-up on the border of Ukraine has escalated tensions between Russia and Ukraine and strained bilateral relations. These events have continued in 2022 with Russia commencing a full-scale military invasion of Ukraine in February 2022. On February 21, 2022, Russia recognized the independence of two separatist regions within Ukraine, and ordered Russian troops into these regions with a purported mission to maintain peace in the area. Following the invasion of Ukraine, countries like the United States, the EU, Canada, Japan, Australia and some other countries have made announcements regarding imposition of sanctions and sanctions have been implemented in the meantime. The imposition of sanctions could lead to unpredictable reactions from Russia. If any sanction risk materializes, this could have a material adverse effect on our business, cash flows, financial condition and results of operations.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, cash flows and results of operation.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of the Equity Shares.

54. Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.

Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our Restated Financial Statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

55. Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.

The Competition Act seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners *i.e.* entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

56. Natural disasters, fires, epidemics, pandemics, acts of war, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war such as Russia's invasion of Ukraine, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our technological infrastructure and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. Certain countries in Southeast Asia have reported cases of bird-to-human transmission of avian and swine influenza, resulting in numerous human deaths. A worsening of the current outbreak of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region and in turn have a material adverse effect on our business and the trading price of the Equity Shares.

Risks Related to the Offer

57. We cannot assure payment of dividends on the Equity Shares in the future.

Our Company has a formal dividend policy as on the date of this Draft Red Herring Prospectus. Our Company has however not declared dividends on the Equity Shares during the current Fiscal Year and the last three Fiscal Years. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our Directors and Shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to our dividend policy, see "*Dividend Policy*" on page 213.

58. Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Offer Price may not be indicative of the market price of the Equity Shares after the Offer.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 108 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Managers*" commencing on page 312. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts, the activities of competitors and suppliers, the activities of competitors and suppliers, future sales of the Equity Shares by our Company or our shareholders, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

59. Our Company has issued Equity Shares during the preceding one year at a price that may be below the Offer Price.

In the preceding one year from the date of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Offer Price. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded after listing. For details on such allotments, see "*Capital Structure*" on page 79. Our Company may continue to issue Equity Shares, including under the existing ESOP 2006, at a price below the market price of Equity Shares at the time of issuance.

60. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of

listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, we may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non -delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020.

Additionally, the Finance Act, 2020 does not require DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

The GoI recently announced the Union Budget for Fiscal 2023 and the Finance Act, 2021 which, among others, requires the taxpayers to explain sources of cash credits, introduces a separate 30% tax on income from virtual digital assets, extended the anti-tax avoidance provision to bonus stripping of securities and repeals the 15% concessional rate on foreign dividends. There is no certainty on the impact that the Finance Act, 2021 may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act, 2022 and Union Budget for Fiscal 2023 would have an adverse effect on our business, financial condition and results of operations.

61. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

62. Investors may have difficulty enforcing foreign judgments against our Company or our management.

Our Company is incorporated under the laws of India as a company limited by shares. As on the date of this Draft Red Herring Prospectus, the majority of our directors and Key Managerial Personnel are residents of India. A substantial portion of our Company's assets and the assets of our Directors and executive officers resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 ("**CPC**"), on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties but does not include an arbitration award, even if such an award is enforceable as a decree or judgment. The United Kingdom, United Arab Emirates, Singapore and Hong Kong, among others, have been declared by the GoI to be reciprocating territories for the purposes of Section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered, and we cannot assure you that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Further, any such amount may be subject to income tax in accordance with applicable laws. Any judgment awarding damages in a foreign currency is required to be converted into Rupees on the date the award becomes enforceable and not on the date of payment.

63. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that holders are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, the holders will be unable to exercise such pre-emptive rights unless we

make such a filing. The Company may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to the holders. If the Company elects to not file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the holder's benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. In addition, to the extent that the holders are unable to exercise pre-emptive rights granted in respect of the Equity Shares, they may suffer future dilution of your ownership position and their proportional interests in our Company would be reduced.

64. Future issuances or sales of Equity Shares could significantly affect the trading price thereof.

Our future issuances of Equity Shares (including under the ESOP 2006) or the disposal of Equity Shares by our Promoters or any of our other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India, may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in our Company.

65. Fluctuation in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.

Our Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends, if declared, in respect of our Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by the Shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

66. Rights of shareholders of companies under Indian law may differ from those available under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

67. There can be no assurance that we will not be a passive foreign investment company, or "PFIC," for any taxable year, which could subject U.S. Holders of Equity Shares to significant adverse U.S. federal income tax consequences.

Under the Internal Revenue Code of 1986, as amended (the "Code"), we will be a PFIC for any taxable year in which, after the application of certain look-through rules with respect to subsidiaries, either (i) 75.0% or more of our gross income consists of "passive income" (as defined in the Code) or (ii) 50.0% or more of the average quarterly value of our assets consists of assets that produce, or are held for the production of, "passive income." Passive income generally includes dividends, interest, certain non-active rents and royalties, and capital gains. Based on our current operations, the composition of our assets, we may be a PFIC for the taxable year ending March 31, 2022 (the "**March 31, 2022 Tax Year**"). Based on our current operations, the composition of our assets, and certain estimates and projections, including as to the relative values of our assets, including goodwill, which is based on the expected market value of the Equity Shares, we do not believe that we will be a PFIC for our current taxable year that includes this offering or in the foreseeable future. Whether we will be a PFIC in the current taxable year that includes this offering or any future taxable year is uncertain because, among other things, (i) we will hold a substantial amount of cash following this offering, which is categorized as a passive asset, (ii) our PFIC status for any taxable year will depend on the composition of our income and assets and the value of our assets from time to time (which may be determined, in part, by reference to the market price of the Equity

Shares, which could be volatile) and (iii) the application of the rules to determine whether certain of our assets are passive assets is unclear. Accordingly, there can be no assurance that we will not be a PFIC for any taxable year.

If we are a PFIC for any taxable year during which a U.S. Holder (as defined below in "Taxation—Certain U.S. Federal Income Tax Considerations") holds Equity Shares, we generally would continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder holds Equity Shares, even if we ceased to meet the threshold requirements for PFIC status. Such a U.S. Holder may be subject to adverse U.S. federal income tax consequences, including (i) the treatment of all or a portion of any gain on disposition as ordinary income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements. Certain elections exist that may alleviate some of the adverse U.S. federal income tax consequences of PFIC status and would result in an alternative treatment (such as "mark-to-market" treatment or treatment as a "qualified electing fund"). However, we do not intend to provide the information that would enable U.S. Holders to make a qualified electing fund election, or "QEF Election". A "mark-to-market" election may be available, if the Equity Shares are regularly traded on a qualified exchange. We intend to list Equity Shares on BSE Limited and National Stock Exchange of India Limited, which must meet certain trading, listing, financial disclosure and other requirements to be treated as a qualified exchange for these purposes, and no assurance can be given that the Equity Shares will be "regularly traded" for purposes of the mark-to-market election, which requires that more than a de minimis quantity of the ordinary shares, are traded on a qualified exchange on at least 15 days during each calendar quarter.

SECTION III - INTRODUCTION

THE OFFER

The following table summarises details of the Offer:

Offer	[•] Equity Shares aggregating up to ₹15,000.00 million
The Offer consists of:	
Fresh Issue[(1)]	[•] Equity Shares aggregating up to ₹11,250.00 million
Offer for Sale[(2)(7)]	[•] Equity Shares aggregating up to ₹3,750.00 million
Including	
Employee Reservation Portion[(3)]	Up to [•] Equity Shares aggregating up to ₹[•] million
Accordingly	
Net Offer	Up to [•] Equity Shares aggregating up to ₹[•] million
Of which	
A. QIB Category[(4)(5)]	Not less than [•] Equity Shares
Of which:	
Anchor Investor Portion[(4)]	Up to [•] Equity Shares
Net QIB Category (assuming the Anchor Investor Portion is fully subscribed)	Up to [•] Equity Shares
Of which:	
Mutual Fund Portion	[•] Equity Shares
Balance of QIB Category for all QIBs including Mutual Funds	[•] Equity Shares
B. Non-Institutional Category[(3)(8)]	Not more than [•] Equity Shares
Of which	
One-third of the Non-Institutional Category available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000	[•] Equity Shares
Two-third of the Non-Institutional Category available for allocation to Bidders with an application size of more than ₹1,000,000	[•] Equity Shares
C. Retail Category[(3)]	Not more than [•] Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer, as of the date of this DRHP	57,482,804 Equity Shares
Equity Shares outstanding prior to the Offer, after the conversion of the FCPS and NCPCCPS[(6)]	Up to [•] Equity Shares
Equity Shares outstanding after the Offer	[•] Equity Shares
Utilisation of Net Proceeds	See "*Objects of the Offer*" on page 98 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Offer has been authorized by a resolution dated March 23, 2022 passed by our Board and the Fresh Issue has been approved by a special resolution dated March 25, 2022 passed by our Shareholders. Our Company may at its discretion consider a Pre-IPO Placement aggregating up to ₹2,250.00 million, prior to the filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, shall be undertaken at the discretion of our Company and the price of the Equity Shares allotted pursuant to the Pre-IPO Placement shall be determined by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus to be filed with the RoC.

(2) The details of authorization by each Selling Shareholder approving their participation in the Offer for Sale are as set out below:

Sr. No.	Name of the Selling Shareholder	Date of the board resolution/ authorization	Date of the consent letter	Number of Offered Shares/ Amount in ₹
Promoter Selling Shareholders				
1.	Ajay Adiseshan	NA	May 28, 2022	Up to ₹1,347.29 million
2.	Vishvanathan Subramanian	NA	May 28, 2022	Up to ₹32.88 million
Investor Selling Shareholders				

Sr. No.	Name of the Selling Shareholder	Date of the board resolution/ authorization	Date of the consent letter	Number of Offered Shares/ Amount in ₹
1.	Lightbox	March 17, 2022	May 27, 2022	Up to ₹1,273.78 million*
2.	Mayfield FVCI, Ltd.	May 26, 2022	May 28, 2022	Up to ₹156.61 million*
3.	RSP India Fund. LLC	October 28, 2021	May 28, 2022	Up to ₹27.41 million*
4.	IPO Wealth Holdings	December 1, 2021	May 28, 2022	Up to ₹170.13 million*
Other Selling Shareholders				
1.	G. Adhiseshann	NA	May 28, 2022	Up to ₹19.55 million*
2.	Uma Vishvanathan	NA	May 28, 2022	Up to ₹114.51 million
3.	Dhruv Pratap Singh	NA	May 28, 2022	Up to ₹153.66 million
4.	Probir Kumar Roy	NA	May 28, 2022	Up to ₹265.61 million
5.	Alexander Kuruvilla	NA	May 28, 2022	Up to ₹132.70 million
6.	Anand Rajaraman	NA	May 28, 2022	Up to ₹55.87 million*

**As on the date of this Draft Red Herring Prospectus, all/ certain portion of the Offered Shares held by the Selling Shareholder are held in the form of FCPS and/ or NCPCCPS and will be converted into Equity Shares prior to filing of the Red Herring Prospectus with the RoC.*

(3) The initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000, however, an Eligible Employee may submit a Bid for a maximum Bid Amount of ₹500,000 under the Employee Reservation Portion. Only in the event of an undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. The unsubscribed portion if any, in the Employee Reservation Portion (after allocation up to ₹500,000), shall be added back to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Retail Category in the Net Offer and such Bids will not be treated as multiple Bids.

(4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Net Offer, subject to compliance with Rule 19(2)(b) of the SCRR, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale. In the event of achieving aforesaid minimum subscription, however, there is under-subscription in achieving the total Offer size, the Equity Shares will be allotted in the following order: (i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed; (ii) upon (i), all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Selling Shareholder); and (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion. See "Terms of the Offer – Minimum Subscription" on page 322.

(5) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Category will be accordingly reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In case of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Category. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [•] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Category and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. See "Offer Procedure" on page 328.

(6) The outstanding FCPS and NCPCCPS shall be converted into Equity Shares, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations. The conversion shall take place in the following manner:

- *15,805 FCPS shall be converted into 23,865,550 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Section 2.2.1 of the PayMate SHA;*
- *15,373 NCPCCPS shall be converted into 23,213,230 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Section 2.2.1 of the PayMate SHA;*
- *293 NCPCCPS shall be converted into a maximum of 2,654,580 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Schedule 3B of the PayMate SHA; and*
- *114 NCPCCPS shall be converted into a maximum of 516,420 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Schedules 3B and 3C of the PayMate SHA.*

(7) In accordance with Regulation 8A of the SEBI ICDR Regulations, the Offered Shares being offered by (i) Selling Shareholders holding, individually or with persons acting in concert, more than 20% of the pre-Offer shareholding of our Company (on a fully diluted basis), do not exceed more than 50% of the Selling Shareholders' respective pre-Offer shareholding (on a fully- diluted basis); and (ii) Selling Shareholders holding, individually or with persons acting in concert, less than 20% of the pre-Offer shareholding of our Company (on a fully diluted basis), do not exceed more than 10% of the pre-Offer shareholding of our Company (on a fully diluted basis).

(8) Not more than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the

other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Allocation to Bidders in all categories, except the Retail Category, Non-Institutional Category and the Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids being received at or above the Offer Price, as applicable. Allocation to Retail Individual Investors shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. One-third of the Non-Institutional Category shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000, two-thirds of the Non-Institutional Category shall be reserved for Bidders with an application size of more than ₹1,000,000 and the unsubscribed portion in either of the above sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors. The allocation of Equity Shares to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Category, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see "*Offer Structure*", "*Terms of the Offer*" and "*Offer Procedure*" on pages 324, 318 and 328, respectively.

SUMMARY FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Statements as at and for the nine months ended December 31, 2021 and Fiscals 2021, 2020 and 2019.

The summary financial information presented below should be read in conjunction with "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 214 *and* 277*, respectively.*

Restated consolidated statement of assets and liabilities

(₹in million)

	Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	ASSETS				
1	**Non-current assets**				
	(a) Property, Plant and Equipment	5.55	6.13	9.57	5.65
	(b) Intangible assets	32.87	43.83	58.51	0.15
	(c) Right of use assets	13.95	17.44	22.09	26.74
	(d) Financial Assets				
	(i) Other financial assets	10.94	6.99	6.31	10.96
	(e) Other non-current assets	2.18	46.88	34.24	11.72
	Total Non - Current Assets	**65.49**	**121.27**	**130.72**	**55.22**
2	**Current assets**				
	(a) Financial Assets				
	(i) Trade receivables	67.79	8.05	13.33	5.95
	(ii) Cash and cash equivalents	88.21	30.15	106.76	8.18
	(iii) Bank balances other than (ii) above	6.72	10.31	64.42	0.70
	(iv) Other financial assets	241.38	29.00	55.71	3.00
	(b) Other Current assets	112.42	39.47	42.80	15.74
	Total Current Assets	**516.52**	**116.98**	**283.02**	**33.57**
	Total Assets (1+2)	**582.01**	**238.25**	**413.74**	**88.79**
	EQUITY AND LIABILITIES				
1	**Equity**				
	(a) Equity Share capital	56.13	0.35	0.34	0.34
	(b) Instruments in the nature of equity	1,695.02	1,413.81	1,390.70	826.52
	(c) Other Equity	(1,357.82)	(1,242.12)	(1,042.08)	(864.93)
	Total equity	**393.33**	**172.04**	**348.96**	**(38.07)**
	LIABILITIES				
2	**Non-current liabilities**				
	(a) Financial Liabilities				
	(i) Lease Liabilities	11.59	15.33	19.17	22.07
	(b) Provisions	10.58	9.40	7.95	4.79
	Total Non - Current Liabilities	**22.17**	**24.73**	**27.12**	**26.86**
3	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Short-term borrowings	-	-	-	31.34
	(ii) Lease Liabilities	4.92	3.84	2.90	3.55
	(iii) Trade payables				
	Total outstanding dues of micro and small enterprises	-	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises	104.04	19.46	21.57	27.60
	(b) Provisions	0.82	2.22	1.00	0.90
	(c) Other current liabilities	56.73	15.94	12.19	36.61
	Total Current Liabilities	**166.51**	**41.47**	**37.66**	**100.00**
	Total Equity and Liabilities (1+2+3)	**582.01**	**238.25**	**413.74**	**88.79**

Restated consolidated statement of profit and loss

(₹in million)

	Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenue from operations	8,434.38	3,484.00	2,161.39	2,358.50
II	Other Income	2.80	6.23	12.24	1.85
III	**Total Revenue (I + II)**	**8,437.18**	**3,490.23**	**2,173.63**	**2,360.35**
IV	**EXPENSES**				
	Cost of services	8,448.84	3,485.08	2,206.00	2,304.74
	Employee benefit expense	348.10	224.13	143.07	70.71
	Finance costs	1.44	2.25	5.96	3.49
	Depreciation and amortisation expense	17.04	22.90	22.08	6.99
	Other expenses	49.56	36.99	74.20	54.03
	Total Expenses (IV)	**8,864.98**	**3,771.35**	**2,451.31**	**2,439.96**
V	**Profit/ (Loss) before tax (III - IV)**	**(427.80)**	**(281.12)**	**(277.68)**	**(79.61)**
VI	Tax Expense				
(1)	Current tax	-	-	-	-
(2)	Deferred tax	-	-	-	-
	Total tax expense	-	-	-	-
VII	**Profit/ (Loss) for the year (V + VI)**	**(427.80)**	**(281.12)**	**(277.68)**	**(79.61)**
VIII	**Other comprehensive income/ (loss)**	**3.34**	**0.52**	**(1.54)**	**(0.98)**
(i)	Items that will not be reclassified to profit or loss				-
	(a) Remeasurements of the defined benefit liabilities/ (asset)	3.34	0.72	(1.43)	(0.98)
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
(ii)	Items that may be reclassified to profit or loss	-	-	-	-
	(a) Exchange differences on translation of financial statements of foreign operations	-	(0.20)	(0.11)	-
IX	**Total comprehensive income/ (Loss) for the year (VII + VIII)**	**(424.46)**	**(280.60)**	**(279.22)**	**(80.59)**
X	**Earnings/ (loss) per equity share:**				
(1)	Basic	(8.00)	(5.41)	(5.41)	(1.58)
(2)	Diluted	(8.00)	(5.41)	(5.41)	(1.58)

Restated consolidated statement of cash flow

(₹in million)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES				
Loss for the year	(427.80)	(281.12)	(277.68)	(79.61)
Adjustments for:				
Depreciation and amortisation expenses	17.04	22.90	22.08	6.99
Finance costs	1.44	2.20	2.56	2.95
Interest income	(2.80)	(4.38)	(7.60)	(1.48)
Provision for Gratuity	3.25	3.39	1.79	1.13
Bad debt written off	7.69	-	2.40	0.13
Share Based payments to employees	171.72	103.69	7.89	0.65
Liabilities no longer required written back	-	(1.85)	(3.95)	(0.37)
Net unrealised exchange (gain) / loss	0.14	0.17	(0.69)	0.35
Operating loss before working capital changes	**(229.32)**	**(155.00)**	**(253.20)**	**(69.26)**
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(67.57)	5.11	(9.09)	(1.66)
Other financial assets	(225.97)	27.01	(52.65)	3.33
Other non-financial assets	(13.41)	(9.62)	(15.31)	(4.67)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	92.00	(0.26)	(2.08)	27.97
Provisions	(10.70)	(0.20)	(0.06)	(33.94)
Other non-financial liabilities	40.68	3.77	(24.42)	15.43
Cash used in operations	**(414.29)**	**(129.19)**	**(356.81)**	**(62.78)**
Net income tax (paid) / refunded	(12)	0.90	(34.28)	(9.52)
Net cash flow used in operating activities (A)	**(426.29)**	**(128.29)**	**(391.09)**	**(72.30)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property plant and equipment, including capital advances	(2.00)	(0.13)	(79.71)	(4.53)
(Investments)/Proceeds from bank deposits	5.35	54.22	(58.07)	(8.85)
Interest received	4.00	2.70	6.54	1.05
Net cash flow from / (used in) investing activities (B)	**7.35**	**56.79**	**(131.24)**	**(12.33)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of short term borrowings	-	-	(31.34)	(9.23)
Repayment of Lease Liabilities	(4.10)	(3.88)	(3.17)	(2.84)
Repayment of interest on lease liabilities	(1.44)	(1.22)	(2.94)	(2.91)
Issue of Share Capital	482.54	0.00	658.36	99.48
Finance costs paid	-	(0.01)	-	(2.95)
Net cash flow from / (used in) financing activities (C)	**477.00**	**(5.11)**	**620.91**	**81.55**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**58.06**	**(76.61)**	**98.58**	**(3.09)**
Add: Cash and cash equivalents at the beginning of the year	30.15	106.76	8.18	11.27
Cash and cash equivalents at the end of the year	**88.21**	**30.15**	**106.76**	**8.18**
Cash and cash equivalents as per Balance Sheet	88.21	30.15	106.76	8.18

GENERAL INFORMATION

Registered and Corporate Office

PayMate India Limited
No. 111, 1st Floor, 'A' Wing
Sundervilla, S. V. Road
Santacruz (West)
Mumbai 400 054
Maharashtra, India

CIN: U72200MH2006PLC205023

Registration number: 205023

For details of our incorporation and changes to our name and our registered office address, see "*History and Certain Corporate Matters"* on page 177.

Address of the RoC

Our Company is registered with the RoC, located at the following address:

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

The details regarding the Board as on the date of this Draft Red Herring Prospectus is set forth below:

Name and Designation	DIN	Address
Ajay Adiseshan *Designation:* Chairman and Managing Director	00099023	601, Resham Corner, Of 23 and 29th Road, Bandra West, Mumbai 400 050, Maharashtra, India
Vishvanathan Subramanian *Designation:* Whole-time Director and Chief Financial Officer	02153545	A-13/4, Sriram Nagar, S. V. Road, Andheri (West), Mumbai 400 058, Maharashtra, India
Sandeep Murthy* *Designation:* Nominee Director	00591165	Unit 4, 2nd Floor, Brady Gladys Plaza, 1/447, Delisle Road, Lower Parel (West), Mumbai 400 013, Maharashtra, India
Kevin Christopher Phalen *Designation:* Independent Director	09403864	1982, Stenman Dr, Batavia, IL – 60510, USA
Monica Niranjan Doshi *Designation:* Independent Director	00181806	1001, Gulshan No. 2, Juhu Cross Lane, Near BMW showroom, Andheri (West), Mumbai 400 058, Maharashtra, India
Ashim Kumar Banerjee *Designation:* Independent Director	01942538	8445, Baseline Road, Boulder, CO 80303, USA

**Nominee of Lightbox*

For brief profiles and further details in respect of our Directors, see "*Our Management*" on page 194.

Company Secretary and Compliance Officer

Nanda Harish
No. 111, 1st Floor, 'A' Wing
Sundervilla, S. V. Road
Santacruz (West)
Mumbai 400 054

Maharashtra, India
Tel: +91 22 2660 3381
E-mail: legal@paymate.co.in

Statutory Auditors

MSKA & Associates
1101B, Manjeera Trinity Corporate, 11th Floor
JNTU Hitech City Road, Kukatpally
Hyderabad 500 072
Tel: +91 40 6814 2999
E-mail: ananthakrishnangovindan@mska.in
Peer Review No.: 013267
Firm Registration No.: 105047W

Changes in statutory auditors

Except as disclosed below, there has been no change in the statutory auditors of our Company during the last three years:

Name of auditor	Date of change	Reason for change
Chandran and Raman, Chartered Accountants 28, 7th Main, 2nd Block Jayanagar, Bengaluru 560 011 Karnataka, India **E-mail**: mukund@cnrca.com **Peer Review No.**: 012777 **Firm Registration No**.: 000571S	July 28, 2021	Resignation due to shortage of manpower at the firm on account of COVID-19
R V K S and Associates, Chartered Accountants FF-B and SF-B, Shiva Enclave No.11, Naidu Layout Sanjaynagar, Bengaluru 560 094 Karnataka, India **Email:** mohan@rvkassociates.com **Peer Review No.**: 010828 **Firm Registration No.**: 008572S	August 11, 2021	Appointment as statutory auditors
R V K S and Associates, Chartered Accountants FF-B and SF-B, Shiva Enclave No.11, Naidu Layout Sanjaynagar, Bengaluru 560 094 Karnataka, India **Email:** mohan@rvkassociates.com **Peer Review No.**: 010828 **Firm Registration No.**: 008572S	November 24, 2021	Resignation due to limited interaction with our Company's officials on account of COVID-19 and resultant inability to carry out audit effectively
MSKA & Associates 1101/B, Manjeera Trinity Corporate 11th Floor, JNTU Hitech City Road Kukatpally Hyderabad 500 072 **E-mail:** ananthakrishnangovindan@mska.in **Peer Review No.**: 013267 **Firm Registration No.:** 105047W	December 3, 2021	Appointment as statutory auditors

Book Running Lead Managers

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg Prabhadevi
Mumbai 400 025
Maharashtra, India

HSBC Securities and Capital Markets (India) Private Limited
52/60, Mahatma Gandhi Road Fort
Mumbai 400 001, Maharashtra, India
Tel: +91 22 2268 5555

Tel: +91 22 6807 7100
E-mail: paymate.ipo@icicisecurities.com
Investor Grievance E-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Sumit Singh/ Rupesh Khant
SEBI Registration No.: INM000011179

E-mail: paymateipo@hsbc.co.in
Investor Grievance E-mail: investorgrievance@hsbc.co.in
Website: www.business.hsbc.co.in/en-gb/in/generic/ipoopen-offer-and-buyback
Contact Person: Rishi Tiwari/ Sanjana Maniar
SEBI Registration No: INM000010353

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
E-mail: paymate.ipo@jmfl.com
Investor Grievance E-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

SBI Capital Markets Limited
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Tel: +91 22 4006 9807
E-mail: paymate.ipo@sbicaps.com
Investor Grievance E-mail: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Janvi Talajia/ Aditya Deshpande
SEBI Registration No.: INM000003531

Statement of *inter se* allocation of responsibilities among the Book Running Lead Managers

The responsibilities and co-ordination by the Book Running Lead Managers for various activities in this Offer are as follows:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	I-Sec, HSBC, JM, SBICAP	I-Sec
2.	Drafting and approval of all statutory advertisement	I-Sec, HSBC, JM, SBICAP	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	I-Sec, HSBC, JM, SBICAP	JM
4.	Appointment of intermediaries - Registrar to the Offer and advertising agency, including coordination of all agreements to be entered into with such intermediaries	I-Sec, HSBC, JM, SBICAP	I-Sec
5.	Appointment of intermediaries - Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	I-Sec, HSBC, JM, SBICAP	JM
6.	Preparation of road show presentation and FAQs for the road show team	I-Sec, HSBC, JM, SBICAP	JM
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	I-Sec, HSBC, JM, SBICAP	JM
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	I-Sec, HSBC, JM, SBICAP	I-Sec
9.	Conduct non-institutional marketing of the Offer, which will cover, inter-alia:	I-Sec, HSBC, JM, SBICAP	SBICAP

S. No.	Activity	Responsibility	Coordinator
	• Finalising media, marketing and public relations strategy; • Formulating strategies for marketing to Non-Institutional Investors		
10.	Retail marketing of the Offer, which will cover, *inter alia*, • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	I-Sec, HSBC, JM, SBICAP	SBICAP
11.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	I-Sec, HSBC, JM, SBICAP	HSBC
12.	Managing the book and finalization of pricing in consultation with the Company	I-Sec, HSBC, JM, SBICAP	HSBC
13.	Post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the initial and final post-Offer report to SEBI, release of 1% security deposit post closure of the Offer	I-Sec, HSBC, JM, SBICAP	SBICAP

Syndicate Members

[•]

Legal Counsel to the Company, Promoter Selling Shareholders and Other Selling Shareholders as to Indian Law

Shardul Amarchand Mangaldas & Co.
24th Floor, Express Towers
Nariman Point
Mumbai 400 021
Maharashtra, India
Tel: +91 22 4933 5555

Legal Counsel to the Book Running Lead Managers as to Indian Law

S&R Associates
One World Center
1403 Tower 2 B
841 Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4302 8000

International Legal Counsel to the Book Running Lead Managers

White & Case Pte. Ltd.
88 Market Street
#41-01, CapitaSpring
Singapore 048948
Tel: +65 6225 6000

Legal Counsel to Lightbox as to Indian Law

Cyril Amarchand Mangaldas
3rd Floor, Prestige Falcon Towers
19, Brunton Road
Bengaluru 560 025
Karnataka, India
Tel: +91 80 6792 2000

Legal Counsel to Mayfield FVCI, Ltd. and RSP India Fund. LLC as to Indian Law

Khaitan & Co
10th & 13th Floors, Tower 1C
One World Centre
841, Senapati Bapat Marg
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6636 5000

Legal Counsel to IPO Wealth Holdings as to Indian Law

Kochhar & Co.
11th Floor, Tower A
DLF Towers Jasola
Jasola District Center
New Delhi 110 025
Tel: +91 11 4111 5222

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L. B. S. Marg, Vikhroli West
Mumbai 400 083
Maharashtra, India
Tel: +91 22 4918 6200
E-mail: paymate.ipo@linkintime.co.in
Investor Grievance E-mail: paymate.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

Bankers to the Company

ICICI Bank Limited
Corporate Head Office, ICICI Bank Towers
Bandra - Kurla Complex
Bandra (East)
Telephone: +91 22 6696 8093
E-mail: kumar.mani@icicibank.com
Website: www.icicibank.com
Contact Person: Manish Kumar

Union Bank of India
(Branch: Mumbai Juhu)
Sadhna Deucation Society
Santacruz (West)
Mumbai 400 054
Telephone: +91 22 2660 1880
E-mail: CB2130@unionbankofindia.com
Website: www.unionbankofindia.com
Contact Person: Alok Srivastava

YES Bank Limited
YES Bank House
Off Western Express Highway
Santacruz (East)
Mumbai 400 055
Maharashtra, India

Telephone: 022 5091 9573
E-mail: Tarun.kuckian@yesbank.in
Website: www.yesbank.in
Contact Person: Tarun Kuckian

Bankers to the Offer

Escrow Collection Bank(s)

[•]

Public Offer Account Bank(s)

[•]

Refund Bank(s)

[•]

Sponsor Bank(s)

[•]

Designated Intermediaries

SCSBs

The list of recognized intermediaries notified by SEBI is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSBs with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, as updated from time to time or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs mobile applications (apps) whose names appear on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com and https://www.nseindia.com, as updated from time to time.

Collecting Registrar and Share Transfer Agents

The list of the CRTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Grading of the Offer

No credit rating agency registered with SEBI has been appointed for grading of the Offer.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Monitoring Agency

Our Company will appoint a credit rating agency registered with SEBI as a monitoring agency to monitor the utilisation of the Net Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus with the RoC.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated May 27, 2022 from the Statutory Auditors, MSKA and Associates, Chartered Accountants, to include their name, as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their (i) examination report dated May 25, 2022 on the Restated Financial Statements; and (ii) their report dated May 27, 2022 on the statement of possible special tax benefits in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, our Company has received written consent dated May 27, 2022 from RVKS and Associates, independent chartered accountants to include their name, as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Credit rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustees

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been filed electronically on the SEBI's online portal and has been emailed to SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by SEBI on March 27, 2020, in relation to "Easing of Operational Procedure –Division of Issues and Listing –CFD".

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be determined by our Company, in consultation with the Book Running Lead Managers, and advertised in [•] editions of [•] (a widely circulated English national daily newspaper) and [•] editions of [•] (a widely circulated Hindi national daily newspaper) and [•] editions of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where the Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company, in consultation with the Book Running Lead Managers after the Bid/Offer Closing Date. For details, see "*Offer Procedure*" on page 328.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Category and Non-Institutional Investors Bidding in the Non-Institutional Category are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors (subject to the Bid Amount being up to ₹200,000) and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids on or before the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to the Anchor Investors will be on a discretionary basis.

For further details on the method and procedure for Bidding and book building procedure, see "*Offer Structure*" and "*Offer Procedure*" on pages 324 and 328, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Offer is also subject to: (i) filing of the Prospectus with the RoC, and (ii) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each Underwriter shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [•]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten *(in ₹ million)*
[•]	[•]	[•]

The abovementioned amounts are provided for indicative purposes only and will be finalised after the Pricing Date and finalization of the Basis of Allotment and actual allocation will be subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are merchant bankers registered with SEBI under Section 12(1) of the SEBI Act or registered as stock brokers with the Stock Exchanges. The Board of Directors [/IPO Committee], at its meeting held on [•], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/ subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Red Herring Prospectus is as set forth below:

(in ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL**	1,920,000,000.00	-
	80,912,859 Equity Shares bearing face value of ₹1 each	80,912,859.00	-
	Preference shares comprising:		
	3,862 FCPS bearing face value of ₹14,781.84 each	57,087,466.08	-
	3,862 FCPS bearing face value of ₹14,694.45 each	56,749,965.90	-
	1,820 FCPS bearing face value of ₹12,681.34 each	23,080,038.80	-
	1,820 FCPS bearing face value of ₹12,642.48 each	23,009,313.60	-
	2,042 FCPS bearing face value of ₹12,726.16 each	25,986,818.72	-
	2,042 FCPS bearing face value of ₹12,669.53 each	25,871,180.26	-
	2,544 NCPCCPS bearing face value of ₹46,883.44 each	119,271,471.36	-
	1,513 NCPCCPS bearing face value of ₹46,905.42 each	70,967,900.46	-
	1,938 NCPCCPS bearing face value of ₹46,905.46 each	90,902,781.48	-
	909 NCPCCPS bearing face value of ₹56,741.97 each	51,578,450.73	-
	318 NCPCCPS bearing face value of ₹56,770.44 each	18,052,999.92	-
	1,817 NCPCCPS bearing face value of ₹67,176.16 each	122,059,082.72	-
	312 NCPCCPS bearing face value of ₹155,655.54 each	48,564,528.48	-
	1 preference share bearing face value of ₹78.61 each	78.61	-
	2,768 preference shares bearing face value of ₹51,264.37 each	141,899,776.16	-
	3,254 NCPCCPS bearing face value of ₹158,456.70 each	515,618,101.80	-
	357 FCPS bearing face value of ₹64,740.00 each	23,112,180.00	-
	293 NCPCCPS bearing face value of ₹959,772.10 each	281,213,225.30	
	114 NCPCCPS bearing face value of ₹1,263,699.83 each	144,061,780.62	
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER, AS OF THE DATE OF THIS DRAFT RED HERRING PROSPECTUS**		
	57,482,804 Equity Shares bearing face value of ₹1 each	57,482,804.00	-
	3,862 FCPS bearing face value of ₹14,694.45 each	56,749,965.90	
	3,862 FCPS bearing face value of ₹14,781.84 each	57,087,466.08	
	1,820 FCPS bearing face value of ₹12,681.34 each	23,080,038.80	
	1,820 FCPS bearing face value of ₹12,642.48 each	23,009,313.60	
	2,042 FCPS bearing face value of ₹12,726.16 each	25,986,818.72	
	2,042 FCPS bearing face value of ₹12,669.53 each	25,871,180.26	
	357 FCPS bearing face value of ₹64,740.00 each	23,112,180.00	
	1,513 NCPCCPS bearing face value of ₹46,905.42 each	70,967,900.46	
	1,938 NCPCCPS bearing face value of ₹46,905.46 each	90,902,781.48	
	2,544 NCPCCPS bearing face value of ₹46,883.44 each	119,271,471.36	
	909 NCPCCPS bearing face value of ₹56,741.97 each	51,578,450.73	
	318 NCPCCPS bearing face value of ₹56,770.44 each	18,052,999.92	
	1,817 NCPCCPS bearing face value of ₹67,176.16 each	122,059,082.72	
	2,768 preference shares bearing face value of ₹51,264.37 each	141,899,776.16	
	312 NCPCCPS bearing face value of ₹155,655.54 each	48,564,528.48	
	3,254 NCPCCPS bearing face value of ₹158,456.70 each	515,618,101.80	
	293 NCPCCPS bearing face value of ₹959,772.10 each	281,213,225.30	
	114 NCPCCPS bearing face value of ₹1,263,699.83 each	144,061,780.62	
C	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER, AFTER CONVERSION OF THE FCPS AND NCPCCPS[(1)]**		
	[•] Equity Shares bearing face value of ₹1 each	[•]	-
D	**OFFER**		
	Offer of [•] Equity Shares aggregating up to ₹15,000.00 million[(2)]	[•]	[•]
	Comprising:		
	Fresh Issue of [•] Equity Shares aggregating up to ₹11,250.00 million[(2)]	[•]	[•]
	Offer for Sale of [•] Equity Shares aggregating up to ₹3,750.00 million[(3)(4)]	[•]	
	Which includes:		

		Aggregate value at face value	Aggregate value at Offer Price*
	Employee Reservation Portion of up to [•] Equity Shares[(5)]	[•]	[•]
	Net Offer of up to [•] Equity Shares	[•]	[•]
E	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER***		
	[•] Equity Shares bearing face value of ₹1 each	[•]	[•]
F	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		342,896,559.90
	After the Offer		[•]

* *To be included upon finalisation of the Offer Price and subject to the Basis of Allotment.*

1. *The outstanding FCPS and NCPCCPS shall be converted into Equity Shares, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations. The conversion shall take place in the following manner:*

   - *15,805 FCPS shall be converted into 23,865,550 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Section 2.2.1 of the PayMate SHA;*
   - *15,373 NCPCCPS shall be converted into 23,213,230 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Section 2.2.1 of the PayMate SHA;*
   - *293 NCPCCPS shall be converted into a maximum of 2,654,580 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Schedule 3B of the PayMate SHA; and*
   - *114 NCPCCPS shall be converted into a maximum of 516,420 Equity Shares, in accordance with the ratio for conversion agreed upon with the relevant shareholders under Schedules 3B and 3C of the PayMate SHA.*

2. *The Offer has been authorized by a resolution dated March 23, 2022 passed by our Board and the Fresh Issue has been approved by a special resolution dated March 25, 2022 passed by our Shareholders. The Pre-IPO Placement may be undertaken by our Company at its discretion. The Pre-IPO Placement will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers and the Pre-IPO Placement, if any, will be undertaken prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer size constituting at least [•]% of the post-Offer paid-up Equity Share capital of our Company.*

3. *Each Selling Shareholder confirms that their respective portion of the Offered Shares have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer. For details of the authorization of each of the Selling Shareholders in relation to their respective Offered Shares, see "The Offer" on page 64.*

4. *In accordance with Regulation 8A of the SEBI ICDR Regulations, the Offered Shares being offered by (i) Selling Shareholders holding, individually or with persons acting in concert, more than 20% of the pre-Offer shareholding of our Company (on a fully diluted basis), do not exceed more than 50% of the Selling Shareholders' respective pre-Offer shareholding (on a fully-diluted basis); and (ii) Selling Shareholders holding, individually or with persons acting in concert, less than 20% of the pre-Offer shareholding of our Company (on a fully diluted basis), do not exceed more than 10% of the pre-Offer shareholding of our Company (on a fully diluted basis).*

5. *The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital.*

Notes to Capital Structure

(i) **Share capital history of our Company**

(a) The history of the equity share capital of our Company is set forth below:

Date of allotment of equity shares	Number of equity shares allotted	Details of the allottees	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Reason for/ nature of allotment	Nature of consideration
May 12, 2006	10,000	9,800 equity shares were allotted to Ajay Adiseshan, 100 equity shares were allotted to A. V. Ramanujam and 100 equity shares were allotted to Manjula Rajaram	10	10	Initial subscription to the Memorandum of Association(1)	Cash
November 16, 2006	18,572	14,349 equity shares were allotted to Ajay Adiseshan, 2,814 equity shares were allotted to Probir Kumar Roy and 1,409 equity shares were allotted to Alexander Kuruvilla	10	10	Further issue	Cash
June 26, 2008	12	4 equity shares were allotted to Sherpalo Mauritius LLC, 4 equity shares were allotted to Murugan Capital and 4 equity shares were allotted to Mayfield FVCI, Ltd. pursuant to the investment agreement dated June 2, 2008	10	10	Preferential allotment	Cash
September 15, 2014	271	271 equity shares were allotted to Ajay Adiseshan as adjustment towards (i) a part of an unsecured loan amounting to ₹8,424,073; and (ii) managerial remuneration due and payable of ₹9,834,826	10	67,376.01	Private placement	Other than cash
September 15, 2014	73	73 equity shares were allotted to Probir Kumar Roy as adjustment towards managerial remuneration due and payable of ₹4,932,837	10	67,573.11	Private placement	Other than cash
September 15, 2014	48	48 equity shares were allotted to Vishvanathan Subramanian as adjustment towards salary payable of ₹3,261,024	10	67,938	Private placement	Other than cash
March 31, 2017	2,572	1,390 equity shares were allotted to Dhruv Pratap Singh, 695 equity shares were allotted to Uma Vishvanathan and 487 equity shares were allotted to Vishvanathan Subramanian	10	10	Allotment of Equity Shares under the ESOP 2006	Cash
June 26, 2018	2,428	1,110 equity shares were allotted to Dhruv Pratap Singh and 1,318 Equity Shares were allotted to Uma Vishvanathan	10	10	Allotment of Equity Shares under the ESOP 2006	Cash
May 4, 2019	1	1 equity share was allotted to Bennett, Coleman and Company Limited	10	155,346	Private placement	Cash
September 7, 2020	779	Allotment of 779 equity shares to six shareholders of Zaitech, i.e., Rajat Yadav (633 equity shares),	10	N.A.	Further issue pursuant to the 2020 Scheme(2)	Other than cash

Date of allotment of equity shares	Number of equity shares allotted	Details of the allottees	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Reason for/ nature of allotment	Nature of consideration
		Almas Ali (28 equity shares), Jazaib Nomani (28 equity shares), Shubham Jindal (31 equity shares), Koushik MLN (31 equity shares) and Shubham Tiwari (28 equity shares), as on the record date of September 7, 2020				
August 30, 2021	1,223	1,223 equity shares were allotted to certain employees of the Company(3)	10	10	Allotment of Equity Shares under the ESOP 2006	Cash
December 9, 2021	1,190	1,190 equity shares were allotted to Bennett, Coleman and Company Limited	10	163,802.85	Conversion of share warrants	Cash
Pursuant to a Shareholders' resolution dated December 18, 2021, each equity share of our Company bearing face value of ₹10 was split into 10 Equity Shares bearing face value of ₹1 each. Therefore, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from ₹371,690 divided into 37,169 equity shares bearing face value of ₹10 each into ₹371,690 divided into 371,690 Equity Shares bearing face value of ₹1 each.						
January 14, 2022	55,753,500	55,753,500 Equity Shares were allotted to the Shareholders whose names appeared in the register of members of the Company as on the record date of December 18, 2021(4)	1	N.A.	Bonus issue in the ratio of 1:150	N.A.
February 14, 2022	8,500	8,500 Equity Shares were allotted to Uma Vishvanathan	1	1	Allotment of Equity Shares under the ESOP 2006	Cash
February 14, 2022	1,275,000	1,275,000 Equity Shares were allotted to Uma Vishvanathan	1	N.A.	Allotment of Equity Shares under the ESOP 2006	N.A.(5)
April 30, 2022	74,114	74,114 Equity Shares were allotted to H. H. Prince Fahad Bin Abdullah Bin Mohammed Al Saud	1	515.79	Private placement	Cash

1. *Our Company was incorporated on May 12, 2006. The date of subscription to the Memorandum of Association is April 21, 2006 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on May 15, 2006.*

2. *For further details in relation to the 2020 Scheme, see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years - Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and their respective shareholders" on page 189.*

3. *9 equity shares were allotted to Ajay Panse, 46 equity shares were allotted to Akshay Sharma, 23 equity shares were allotted to Alpa Shah, 23 equity shares were allotted to Amit Nigam, 5 equity shares were allotted to Ashish Salvi, 23 equity shares were allotted to Ashwini Kumar Choube, 23 equity shares were allotted to Chetan Paleja, 26 equity shares were allotted to Deepak Adhvaryu, 5 equity shares were allotted to Gopinathan Naidu, 34 equity shares were allotted to Hanif Patel, 50 equity shares were allotted to Hardik Solanki, 180 equity shares were allotted to Hozefa Muchhela, 12 equity shares were allotted to Kalpesh Kawali, 70 equity shares were allotted to Monica Vedpathak, 35 equity shares were allotted to Parag Advirkar, 183 equity shares were allotted to Prasanna Ghosalkar, 11 equity shares were allotted to Prateek Vora, 8 equity shares were allotted to Rahul Kore, 11 equity shares were allotted to Reshma Nair, 12 equity shares were allotted to Sakshi Kashyap, 35 equity shares were allotted to Shriyanka Prajapati, 30 equity shares were allotted to Sourabh Govilla, 23 equity shares were allotted to Sunita Jacinto, 50 equity shares were allotted to Tanul Mishra, 23 equity shares were allotted to Tejas Dhabalia, 23 equity shares were allotted to Thiyagaraajan Krishnamurthy, 93 equity shares were allotted to Tushar Pant, 75 equity shares were allotted to Vijay Narayanan Parakimeethal, 11 equity shares were allotted to Nilesh Chaurasiya, 11 equity shares were allotted to Rajesh Puthran, 35 equity shares were allotted to Sandeep Kumar Parik, 23 equity shares were allotted to Shipra Bhansali, and 2 equity shares were allotted to Sumit Bhargava.*

4. *32,880,000 Equity Shares were allotted to Ajay Adiseshan, 6,580,500 Equity Shares were allotted to Probir Kumar Roy, 3,238,500 Equity Shares were allotted to Alexander Kuruvilla, 12,000 Equity Shares were allotted to Lightbox Ventures I, 6,000 Equity Shares were allotted to Mayfield FVCI, Ltd., 802,500 Equity Shares were allotted to Vishvanathan Subramanian, 2,794,500 Equity Shares were allotted to Uma Vishvanathan, 3,750,000 Equity Shares were allotted to Dhruv Pratap Singh, 1,786,500 Equity Shares were allotted to Bennett, Coleman and Company Limited, 949,500 Equity Shares were allotted to Rajat Yadav, 42,000 Equity Shares were allotted to Almas Ali, 42,000 Equity Shares were allotted to Jazaib Nomani, 46,500 Equity Shares*

were allotted to Shubham Jindal, 46,500 Equity Shares were allotted to Koushik MLN, 42,000 Equity Shares were allotted to Shubham Tiwari, 2,400,000 Equity Shares were allotted to CXI Valley I LLC, 157,500 Equity Shares were allotted to Gita Adiseshan, 159,000 Equity Shares were allotted to Samuel Fernandes, 9,000 Equity Shares were allotted to Anjana Vishvanathan, and 9,000 Equity Shares were allotted to Shivank Vishvanathan.

5. *After taking into account the bonus issue undertaken by the Company on January 14, 2022 and the resulting change in the conversion ratio for the options granted under the ESOP 2006, 1,275,000 Equity Shares were allotted to Uma Vishvanathan as bonus Equity Shares upon conversion of the options exercised by Uma Vishvanathan.*

(b) The history of the preference share capital of our Company is set forth below:

*(i) Fully Convertible Preference Shares ("**FCPS**")*

Date of allotment of preference shares	Number of preference shares allotted	Details of the allottees	Face value per preference share (in ₹)	Issue price per preference share (in ₹)	Reason for/ nature of allotment	Nature of consideration
November 16, 2006	3,862	3,862 FCPS were allotted to Murugan Capital	14,694.45	14,694.45	Preferential allotment*(1)	Cash
November 16, 2006	3,862	3,862 FCPS were allotted to Sherpalo Mauritius LLC	14,781.84	14,781.84	Preferential allotment*(1)	Cash
October 22, 2007	1,820	1,820 FCPS were allotted to Sherpalo Mauritius LLC	12,681.34	12,681.34	Preferential allotment*#	Cash
October 22, 2007	1,820	1,820 FCPS were allotted to Murugan Capital	12,642.48	12,642.48	Preferential allotment#	Cash
March 24, 2008	2,042	2,042 FCPS were allotted to Sherpalo Mauritius LLC	12,726.16	12,726.16	Preferential allotment#	Cash
March 24, 2008	2,042	2,042 FCPS were allotted to Murugan Capital	12,669.53	12,669.53	Preferential allotment#	Cash
September 7, 2020	357	Allotment of 357 FCPS to 11 shareholders of Zaitech, namely, Pallavi Chadha (111 FCPS), Vikram Bose (111 FCPS), Ranjit Gupta (14 FCPS), Santosh Devaiah (14 FCPS), Vemuri Ramachandra Kumar (14 FCPS), Mandeep Mohan Singh (14 FCPS), Guneet Kaur (14 FCPS), Subir Mehra (14 FCPS), Mohan Deep Singh (14 FCPS), Nayantara Patkar (14 FCPS) and Veerabhadra GY Patil (23 FCPS) as on the record date of September 7, 2020	64,740.00	N.A.	Further issue pursuant to the 2020 Scheme(2)	Other than cash

**Certain information in either the resolution passed by the Board or form filing made by our Company for the purpose of the allotment has been incorrectly recorded by our Company inadvertently. For details, see "Risk Factors – There have been inadvertent inaccuracies in certain of our regulatory filings and corporate records and we have been unable to locate certain of our historical corporate records" on page 49.*

#Certain corporate records of our Company in relation to these allotments of FCPS by our Company are not traceable. For details, see "Risk Factors – There have been inadvertent inaccuracies in certain of our regulatory filings and corporate records and we have been unable to locate certain of our historical corporate records" on page 49.

1. *The shares herein were allotted as non-cumulative participating optionally convertible preference shares and were subsequently converted into FCPS pursuant to the special resolution passed by the Shareholders on June 26, 2020.*

2. *For further details in relation to the 2020 Scheme, see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years - Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and their respective shareholders" on page 189.*

*(ii) Non Cumulative Participating Compulsorily Convertible Preference Shares ("**NCPCCPS**")*

Date of allotment of preference shares	Number of preference shares allotted	Details of the allottees	Face value per preference share (in ₹)	Issue price per preference share (in ₹)	Reason for/ nature of allotment	Nature of consideration
June 26, 2008	242	242 NCPCCPS were allotted to Sherpalo Mauritius LLC	46,905.42	46,905.42	Preferential allotment	Cash
June 26, 2008	485	485 NCPCCPS were allotted to Murugan Capital	46,905.46	46,905.46	Preferential allotment	Cash
June 26, 2008	1,999	1,999 NCPCCPS were allotted to Mayfield FVCI, Ltd.	46,883.44	46,883.44	Preferential allotment	Cash
September 18, 2009	363	363 NCPCCPS were allotted to Sherpalo Mauritius LLC	46,905.42	52,352.61	Preferential allotment*	Cash
September 18, 2009	545	545 NCPCCPS were allotted to Murugan Capital	46,905.46	52,304.58	Preferential allotment*	Cash
September 18, 2009	545	545 NCPCCPS were allotted to Mayfield FVCI, Ltd.	46,883.44	52,910.09	Preferential allotment*	Cash
July 20, 2010	227	227 NCPCCPS were allotted to Sherpalo Mauritius LLC	46,905.42	50,396.48	Preferential allotment	Cash
July 20, 2010	227	227 NCPCCPS were allotted to Murugan Capital	46,905.46	50,396.48	Preferential allotment	Cash
May 25, 2011	681	681 NCPCCPS were allotted to Sherpalo Mauritius LLC	46,905.42	48,744.49	Preferential allotment	Cash
May 25, 2011	681	681 NCPCCPS were allotted to Murugan Capital	46,905.46	48,601.32	Preferential allotment	Cash
February 27, 2012	909	909 NCPCCPS were allotted to Anand Rajaraman	56,741.97	56,741.97	Preferential allotment	Cash
February 27, 2012	318	318 NCPCCPS were allotted to G. Adhiseshann	56,770.44	56,770.44	Preferential allotment	Cash
September 15, 2014	1,817	1,817 NCPCCPS were allotted to Lightbox Ventures I	67,176.16	67,176.16	Private placement	Cash
September 12, 2017	681	681 NCPCCPS were allotted to IPO Wealth Holdings Pty Ltd.	51,264.37	51,264.37	Private placement	Cash
January 3, 2018	558	558 NCPCCPS were allotted to IPO Wealth Holdings Pty Ltd.	51,264.37	51,811.63	Rights issue	Cash
June 23, 2018	1,529	1,529 NCPCCPS were allotted to IPO Wealth Holdings Pty Ltd.	51,264.37	65,041.43	Rights issue	Cash
April 23, 2019	312	312 NCPCCPS were allotted to 101 Investments Limited	155,655.54	155,655.54	Private placement	Cash
August 14, 2019	446	446 NCPCCPS were allotted to RSP India Fund. LLC	158,456.70	158,699.55	Private placement	Cash

Date of allotment of preference shares	Number of preference shares allotted	Details of the allottees	Face value per preference share (in ₹)	Issue price per preference share (in ₹)	Reason for/ nature of allotment	Nature of consideration
August 14, 2019	2,229	2,229 NCPCCPS were allotted to Visa	158,456.70	158,472.40	Private placement	Cash
August 14, 2019	579	579 NCPCCPS were allotted to 101 Investments Limited	158,456.70	159,747.11	Private placement	Cash
August 24, 2021	256	110 NCPCCPS were allotted to Astor Management AG, 55 NCPCCPS were allotted to Felicitas Equity Fund, LP and 91 NCPCCPS were allotted to Felicitas Secondary Fund II, LP	959,772.10	1,019,442.91	Private placement	Cash
August 27, 2021	37	37 NCPCCPS were allotted to CXI Valley I LLC	959,772.10	1,016,243.62	Private placement	Cash
March 5, 2022	57	57 NCPCCPS were allotted to Felicitas Secondary Fund II, LP	1,263,699.83	1,334,826.82	Private placement	Cash
March 5, 2022	43	43 NCPCCPS were allotted to Astor Management AG	1,263,699.83	1,334,826.81	Private placement	Cash
March 5, 2022	14	14 NCPCCPS were allotted to CXI Valley I LLC	1,263,699.83	1,334,826.78	Private placement	Cash

**Certain information in either the resolution passed by the Board or form filing made by our Company for the purpose of the allotment has been incorrectly recorded by our Company inadvertently. For details, see "Risk Factors – There have been inadvertent inaccuracies in certain of our regulatory filings and corporate records and we have been unable to locate certain of our historical corporate records" on page 49.*

(ii) **Equity shares and preference shares issued or for consideration other than cash or out of revaluation reserves**

Except as disclosed below, our Company has not issued equity shares or preference shares for consideration other than cash or out of revaluation reserves, on the date of this Draft Red Herring Prospectus:

(a) Equity shares

Date of allotment of equity shares	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Reasons for the issue	Nature of consideration	Persons to whom issued	Benefits accrued to the Company, if any
September 15, 2014	271	10	67,376.01	Adjustment towards (i) a part of an unsecured loan amounting to ₹8,424,073; and (ii) managerial remuneration due and payable of ₹9,834,826	Other than cash	Ajay Adiseshan	Unsecured loan and services as the Managing Director of the Company
September 15, 2014	73	10	67,573.11	Adjustment towards managerial remuneration due and payable of ₹4,932,837	Other than cash	Probir Kumar Roy	Services as the whole time Director of the Company
September 15, 2014	48	10	67,938	Adjustment towards salary payable of ₹3,261,024	Other than cash	Vishvanathan Subramanian	Services as chief financial officer of the Company
September 7, 2020	779	10	N.A.	Further issue pursuant to the 2020 Scheme [(1)]	Other than cash	Six shareholders of Zaitech, i.e., Rajat Yadav, Almas Ali, Jazaib Nomani, Shubham Jindal, Joushik MLN and Shubham Tiwari	The business of Zaitech was transferred to our Company pursuant to the 2020 Scheme under which we acquired 'Z2P', a micro lending platform developed by Zaitech

1. *For further details in relation to the 2020 Scheme, see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years - Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and their respective shareholders" on page 189.*

(b) FCPS

Date of allotment of preference shares	Number of preference shares allotted	Face value per preference share (in ₹)	Issue price per preference share (in ₹)	Reasons for the issue	Nature of consideration	Persons to whom issued	Benefits accrued to the Company, if any
September 7, 2020	357	64,740	Not applicable	Further issue pursuant to the 2020 Scheme [(1)]	Other than cash	11 shareholders of Zaitech, i.e., Pallavi Chadha, Vikram Bose, Ranjit Gupta, Santosh Devaiah, Vemuri Ramachandra Kumar, Mandeep Mohan Singh, Guneet Kaur, Subir Mehra,	Zaitech merged with our Company and the business of Zaitech was transferred to our Company pursuant to the 2020 Scheme under which we acquired 'Z2P', a micro lending

Date of allotment of preference shares	Number of preference shares allotted	Face value per preference share (in ₹)	Issue price per preference share (in ₹)	Reasons for the issue	Nature of consideration	Persons to whom issued	Benefits accrued to the Company, if any
						Mohan Deep Singh, Nayantara Patkar and Veerabhadra GY Patil	platform developed by Zaitech

1. *For further details in relation to the 2020 Scheme, see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years - Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and their respective shareholders" on page 189.*

Our Company has not issued any shares out of revaluation reserves since incorporation.

(iii) **Issue of equity shares and preference shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013**

Except for the allotments of 779 equity shares bearing face value of ₹10 each and 357 FCPS bearing face value of ₹64,740 each on September 7, 2020 pursuant to the 2020 Scheme, details of which are set forth in "- *Notes to the Capital Structure – Share Capital History of our Company*" on page 81, our Company has not allotted any equity shares or preference shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013. For further details in relation to the 2020 Scheme, see "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years - Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and their respective shareholders*" on page 189.

(iv) **Issue of equity shares under employee stock option schemes**

For details of equity shares issued by our Company pursuant to the exercise of options which have been granted under the ESOP 2006, see "– *Equity Share capital history of our Company*" on page 81.

(v) **Equity shares issued in the preceding one year below the Offer Price**

Except as disclosed above under "– *Notes to Capital Structure – Share capital history of our Company*" on page 81, our Company has not issued any equity shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus.

(vi) **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company, as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoters and Promoter Group	8	38,340,410	-	-	38,340,410	66.70	38,340,410	-	38,340,410	66.70	480,180	33.88*	-	-	-	-	38,340,410
(B)	Public	80	19,142,394	-	-	19,142,394	33.30	19,142,394	-	19,142,394	33.30	56,617,450	66.12*	1,176,290	2.05%	-	-	13,274,410
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**88**	**57,482,804**	**-**	**-**	**57,482,804**	**100.00**	**57,482,804**	**-**	**57,482,804**	**100.00**	**57,097,630**	**100.00**	**1,176,290**	**2.05%**	**-**	**-**	**51,614,820**

**Assuming maximum conversion of the outstanding FCPS and NCPCCPS which will be converted into Equity Shares prior to the filing of the Red Herring Prospectus with the RoC and exercise of all options under the ESOP 2006 that are vested as of the date of this Draft Red Herring Prospectus.*

(vii) **Details of equity shareholding of the major Shareholders of our Company:**

1. Set forth below are details of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company (comprising at least 80% of the paid-up Equity Share capital) as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of the Equity Share capital (%)	Percentage of the Equity Share capital on a fully diluted basis (%)*
1	Ajay Adiseshan	33,099,200	57.58	28.89
2	Probir Kumar Roy	6,525,221	11.35	5.69
3	Dhruv Pratap Singh	37,75,000	6.57	3.29
4	Alexander Kuruvilla	3,260,090	5.67	2.85
5	Uma Vishvanathan	4,096,630	7.13	3.58
6	CXI Valley I LLC	2,416,000	4.20	2.11
7	Bennett, Coleman and Company Limited	1,798,410	3.13	1.57
8	Rajat Yadav	955,830	1.66	0.83
9	Vishvanathan Subramanian	807,850	1.41	0.71
	Total	**56,734,231**	**98.70**	**49.51**

**Assuming maximum conversion of the outstanding FCPS and NCPCCPS which will be converted into Equity Shares prior to the filing of the Red Herring Prospectus with the RoC and exercise of all options under the ESOP 2006 that are vested as of the date of this Draft Red Herring Prospectus.*

2. Set forth below are details of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company (comprising at least 80% of the paid-up Equity Share capital) as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of the Equity Share capital (%)	Percentage of the Equity Share capital on a fully diluted basis (%)*
1	Ajay Adiseshan	33,099,200	57.58	28.89
2	Probir Kumar Roy	6,528,221	11.35	5.69
3	Dhruv Pratap Singh	37,75,000	6.57	3.29
4	Alexander Kuruvilla	3,260,090	5.67	2.85
5	Uma Vishvanathan	4,096,630	7.13	3.58
6	CXI Valley I LLC	2,416,000	4.20	2.11
7	Bennett, Coleman and Company Limited	1,798,410	3.13	1.57
8	Rajat Yadav	955,830	1.66	0.83
9	Vishvanathan Subramanian	807,850	1.41	0.71
	Total	**56,734,231**	**98.70**	**49.51**

**Assuming maximum conversion of the outstanding FCPS and NCPCCPS which will be converted into Equity Shares prior to the filing of the Red Herring Prospectus with the RoC and exercise of all options under the ESOP 2006 that are vested as of the date of this Draft Red Herring Prospectus.*

3. Set forth below are details of Shareholders holding 1% or more of the paid-up equity share capital of our Company (comprising at least 80% of the paid-up Equity Share capital) as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares bearing face value of ₹10 held	Percentage of the Equity Share capital (%)	Percentage of the equity share capital on a fully diluted basis (%)*
1	Ajay Adiseshan	33,627,700	64.08	29.35
2	Probir Kumar Roy	6,624,370	12.62	5.78
3	Dhruv Pratap Singh	3,775,000	7.19	3.29
4	Alexander Kuruvilla	3,260,090	6.21	2.85
5	Uma Vishvanathan	3,039,630	5.79	2.65
6	Rajat Yadav	955,830	1.82	0.83
7	Vishvanathan Subramanian	807,850	1.54	0.71
	Total	**52,090,470**	**99.25**	**45.46**

**Assuming maximum conversion of the outstanding FCPS and NCPCCPS which will be converted into Equity Shares prior to the filing of the Red Herring Prospectus with the RoC and exercise of all options under the ESOP 2006 that are vested as of the date of this Draft Red Herring Prospectus.*

4. Set forth below are details of Shareholders holding 1% or more of the paid-up equity share capital of our Company (comprising at least 80% of the paid-up Equity Share capital) as of two years, prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares bearing face value of ₹10 held	Percentage of the Equity Share capital (%)	Percentage of the equity share capital on a fully diluted basis (%)*
1	Ajay Adiseshan	33,627,700	64.08	29.35
2	Probir Kumar Roy	6,624,370	12.62	5.78
3	Dhruv Pratap Singh	3,775,000	7.19	3.29
4	Alexander Kuruvilla	3,260,090	6.21	2.85
5	Uma Vishvanathan	3,039,630	5.79	2.65
6	Rajat Yadav	955,830	1.82	0.83
7	Vishvanathan Subramanian	807,850	1.54	0.71
	Total	**52,090,470**	**99.25**	**45.46**

**Assuming maximum conversion of the outstanding FCPS and NCPCCPS which will be converted into Equity Shares prior to the filing of the Red Herring Prospectus with the RoC and exercise of all options under the ESOP 2006 that are vested as of the date of this Draft Red Herring Prospectus.*

(viii) **Details of Equity Shareholding of our Promoters and members of the Promoter Group in our Company**

As on the date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of 33,907,050 Equity Shares, constituting 58.99% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details regarding our Promoters' shareholding are set forth below:

- *Build-up of Promoters' Equity Shareholding in our Company*

The build-up of the Equity Shareholding of our Promoters since incorporation of our Company is set forth below:

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Nature of consideration	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre-Offer Equity Share capital (%)*	Percentage of the post-Offer Equity Share capital (%)#
(A) Ajay Adiseshan							
May 12, 2006(1)	Initial subscription to the Memorandum of Association	9,800	Cash	10	10	0.17	[•]
May 29, 2006	Transfer to Alexander Kuruvilla	(750)	Cash	10	10	0.013	[•]
May 29, 2006	Transfer to Probir Kumar Roy	(1,500)	Cash	10	10	0.026	[•]
May 29, 2006	Transfer from A. V. Ramanujam	100	Cash	10	10	0.002	[•]

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Nature of consideration	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre-Offer Equity Share capital (%)*	Percentage of the post-Offer Equity Share capital (%)#
November 16, 2006	Further issue	14,349	Cash	10	10	0.250	[•]
November 16, 2006	Transfer to Paymate Benefit Trust	(14,349)	Cash	10	10	0.250	[•]
July 30, 2008	Transfer from Paymate Benefit Trust	3,588	Cash	10	10	0.062	[•]
December 23, 2008	Transfer from Paymate Benefit Trust	3,587	Cash	10	10	0.062	[•]
December 29, 2009	Transfer from Paymate Benefit Trust	3,587	Cash	10	10	0.062	[•]
April 7, 2011	Transfer from Paymate Benefit Trust	3,587	Cash	10	10	0.062	[•]
September 15, 2014	Private placement	271	Other than cash	10	67,376.01	0.005	[•]
December 9, 2021	Transfer to CXI Valley LLC I	(300)	Cash	10	60,327.68	0.005	[•]
December 9, 2021	Transfer to CXI Valley LLC I	(50)	Cash	10	61,144.70	0.001	[•]
Pursuant to a Shareholders' resolution dated December 18, 2021, each equity share of our Company bearing face value of ₹10 was split into 10 Equity Shares bearing face value of ₹1 each. Therefore, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from ₹371,690 divided into 37,169 equity shares bearing face value of ₹10 each into ₹371,690 divided into 371,690 Equity Shares bearing face value of ₹1 each.							
January 14, 2022	Bonus issue in the ratio of 1:150	32,880,000	N.A.	1	N.A.	57.200	[•]
(A) Sub-total		**33,099,200**				**57.581**	**[•]**
(B) Vishvanathan Subramanian^							
September 15, 2014	Private placement	48	Other than cash	10	67,938	0.001	[•]
March 31, 2017	Allotment of Equity Shares under the ESOP 2006	487	Cash	10	10	0.008	[•]
Pursuant to a Shareholders' resolution dated December 18, 2021, each equity share of our Company bearing face value of ₹10 was split into 10 Equity Shares bearing face value of ₹1 each. Therefore, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from ₹371,690							

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Nature of consideration	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre-Offer Equity Share capital (%)*	Percentage of the post-Offer Equity Share capital (%)#
divided into 37,169 equity shares bearing face value of ₹10 each into ₹371,690 divided into 371,690 Equity Shares bearing face value of ₹1 each.							
January 14, 2022	Bonus issue in the ratio of 1:150	802,500	N.A.	1	N.A.	1.396	[•]
(B) Sub-total		**807,850**				**1.405**	**[•]**
Total (A + B)		**33,907,050**				**58.986**	**[•]**

**As adjusted for the sub-division of face value of equity shares of our Company from ₹10 each to ₹1 each.*
 # Subject to finalisation of the Basis of Allotment.
^Identified as one of the promoters of our Company vide resolutions passed by our Board on October 6, 2021 and by our Shareholders on October 11, 2021.
(1) Our Company was incorporated on May 12, 2006. The date of subscription to the Memorandum of Association is April 21, 2006 and the allotment of equity shares pursuant to such subscription was taken on record by the Board on May 15, 2006.

Except for the 14,349 equity shares allotted to Ajay Adiseshan on November 16, 2006, which were made fully paid-up in tranches on July 30, 2008, December 23, 2008, December 29, 2009 and April 7, 2011, all the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

- *Shareholding of our Promoters and members of our Promoter Group*

The details of shareholding of our Promoters and members of the Promoter Group as on the date of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Pre-Offer Number of Equity Shares	Percentage of the Pre-Offer Equity Share capital (%)	Percentage of the Pre-Offer Equity Share capital on a fully diluted basis (%)#	Post-Offer Number of Equity Shares	Percentage of the Post-Offer Equity Share capital (%)
	Promoters					
a)	Ajay Adiseshan	33,099,200	57.58	28.89	[•]	[•]
b)	Vishvanathan Subramanian	807,850	1.41	0.71	[•]	[•]
	Members of the Promoter Group					
a)	G. Adhiseshann*	-	-	0.42	[•]	[•]
b)	Gita Adiseshan	158,550	0.28	0.14	[•]	[•]
c)	Uma Vishvanathan	4,096,630	7.13	3.58	[•]	[•]
d)	Samuel Fernandes	160,060	0.28	0.14	[•]	[•]
e)	Anjana Vishvanathan	9,060	0.02	0.01	[•]	[•]
f)	Shivank Vishvanathan	9,060	0.02	0.01	[•]	[•]
Total		**38,340,410**	**66.70**	**33.88**	**[•]**	**[•]**

**As on the date of this Draft Red Herring Prospectus, G. Adhiseshann holds 318 NCPCCPS.*
 # Assuming maximum conversion of the outstanding FCPS and NCPCCPS which will be converted into Equity Shares prior to the filing of the Red Herring Prospectus with the RoC and exercise of all options under the ESOP 2006 that have vested as of the date of this Draft Red Herring Prospectus.

Except as disclosed above, none of our Promoters or members of our Promoter Group hold any Equity Shares or preference shares as on date of this Draft Red Herring Prospectus.

- *Details of Promoters' Contribution and Lock-in*

Pursuant to Regulation 14 and Regulation 16(1)(a) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of 18 months from the date of Allotment ("**Promoters' Contribution**").

The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of 18 months, from the date of Allotment as Promoters' Contribution are set forth below:

Name of the Promoter	Number of Equity Shares locked-in(1)(2)	Date of allotment/ transfer/acquisition*	Nature of transaction	Face value (₹)	Issue/ Acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up Equity Share capital	Percentage of post-Offer paid-up Equity Share Capital
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

* *Subject to finalisation of Basis of Allotment*
1. *For a period of 18 months from the date of Allotment*
2. *All Equity Shares were fully paid-up at the time of allotment/transfer.*

The Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Promoters' Contribution. The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as "promoter" under the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "– *History of the Equity Share Capital held by our Promoters*" on page 90.

In this connection, we confirm the following:

(i). The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash and by revaluation of assets or by capitalisation of intangible assets; and (b) resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' Contribution;

(ii). The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii). Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company;

(iv). The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge with any creditor; and

(v). All the Equity Shares held by the Promoters are held in dematerialised form.

- *Details of Equity Shares locked-in for six months:*

In addition to 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked-in for 18 months, in terms of Regulation 16(1)(b) and Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company shall be locked-in for a period of six months from the date of Allotment, except for (i) the Equity Shares transferred pursuant to the Offer for Sale; (ii) any Equity Shares allotted to employees, whether currently employees or not and including the legal heirs or nominees of any deceased employees or ex-employees, pursuant to the ESOP 2006 prior to the Offer; (iii) any Equity Shares held by

a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that (a) such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such VCF or AIF or FVCI; and (b) such VCF or AIF of category I or category II or a FVCI holds, individually or with persons acting in concert, less than 20% of pre-Offer Equity Share capital of the Company (on a fully diluted basis).

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in may be transferred to and amongst the members of the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable. Further, the Equity Shares held by persons other than the Promoters and locked-in for a period of six months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations.

Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The Equity Shares held by the Promoters, which are locked-in, may be pledged only with scheduled commercial banks or public financial institutions or NBFC-SIs or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or Systemically Important NBFCs or housing finance companies in terms of Regulation 21 of the SEBI ICDR Regulations. In terms of Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of 18 months from the date of Allotment may be pledged only with the entities mentioned above, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans. Further, pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in for a period of six months from the date of Allotment, may be pledged only with the entities mentioned above, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

However, the relevant lock in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock in period has expired in terms of the SEBI ICDR Regulations.

- *Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors*

  50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked in for a period of 30 days from the date of Allotment.

(ix) As on the date of filing of this Draft Red Herring Prospectus, our Company has 88 Shareholders, comprising 68 equity shareholders and 23 preference shareholders (of which three Shareholders hold Equity Shares as well).

(x) Except as disclosed under "*- Build-up of Promoters' Equity Shareholding in our Company*" on page 90, our Promoters, any member of our Promoter Group, our Directors, or any of their relatives have not purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

(xi) Except for the (i) allotment of Equity Shares pursuant to the Offer; and (ii) issuance of Equity Shares pursuant to exercise of options granted under the ESOP 2006, our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable,

directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or otherwise.

(xii) There have been no financing arrangements whereby members of our Promoter Group, our Directors, and their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of the relevant financing entity) during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

(xiii) Our Company, our Directors and the Book Running Lead Managers have not entered into any buy-back arrangements for purchase of Equity Shares from any person.

(xiv) As on the date of this Draft Red Herring Prospectus, the Book Running Lead Managers and their respective associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares.

(xv) Except as disclosed under "*Our Management - Shareholding of the Directors"* on page 197 and "*Our Management - Shareholding of the Key Managerial Personnel*" on page 206, none of our Directors or Key Managerial Personnel hold any Equity Shares.

(xvi) All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

(xvii) Except for the options granted pursuant to the ESOP 2006, the FCPS and the NCPCCPS, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments of our Company into, or which would entitle any person any option to receive, Equity Shares as on the date of this Draft Red Herring Prospectus.

(xviii) Any oversubscription to the extent of 1% of the Offer size can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot while finalizing the Basis of Allotment.

(xix) There shall be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges, or all application monies have been refunded, as the case may be, other than in connection with the (i) Offer; (ii) Pre-IPO Placement; (iii) conversion of the FCPS and NCPCCPS; and (iv) issuance of Equity Shares pursuant to exercise of options granted under the ESOP 2006.

(xx) Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

(xxi) **Employee stock options plan of our Company**

Our Company instituted the ESOP 2006, pursuant to the resolution passed by our Board in its meeting held on March 8, 2010, which was last amended by way of the resolutions passed by our Board and Shareholders on March 23, 2022 and March 25, 2022, respectively. The ESOP 2006 is in compliance with the SEBI SBEBSE Regulations.

Details of the ESOP 2006 are disclosed below:

Particulars	Total
Total options granted	15,239
Total options vested (net of forfeited/ lapsed/ cancelled/ exercised options)	4,213
Total options exercised	7,073
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	21,882,920
Total options forfeited/lapsed/cancelled	747
Money realised by exercise of options	70,730
Total number of options in force	3,206
Total Equity Shares issued	10,680,230

The following table sets forth the particulars of the ESOP 2006, including options granted during the last three Fiscals, and as on the date of this Draft Red Herring Prospectus:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	For the period April 1, 2021 till the date of this Draft Red Herring Prospectus
Options granted	205	890	3,674	2,770
Options vested (excluding options that have been exercised)	0	104	530	3,318
Options exercised (including options pending for allotment)	2,428	0	0	2,073
Options forfeited/ lapsed/ cancelled	0	15	114	143
Options outstanding (total of vested, unvested, cancelled and lapsed options)	2,430	3,305	6,865	7,419
Exercise price of options	10			
Total no. of Equity Shares that would arise as a result of full exercise of options granted (net of forfeited/ lapsed/ cancelled options)	21,882,920			
Variation in terms of options	Variation only in terms of vesting period			
Money realised by exercise of options	70,730			
Total no. of options in force (vested and unvested options)	7,419			
Employee wise details of options granted to:				
(i) Key management personnel	**Name of key managerial personnel**		**Total no. of options granted**	
	Ashutosh Verma		300	
	Dean Gonsalves		115	
	Mahesh Sharma		225	
	Mangesh Kulkarni		150	
	Rajat Yadav		473	
	Nilesh Dadpe		325	
	Nanda Harish		700	
	Ashwin Shenoy		200	
	Sadanand Moily		850	
	Rakesh Khanna		150	
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	**Name of Employee**		**Total no. of options granted**	
Fiscal 2019	Mangesh Kulkarni		45	
	Nanda Harish		100	
	Pranav Thakkar		25	
	Sourabh Govila		30	
Fiscal 2020	Uma Vishvanathan		550	
Fiscal 2021	Rajat Yadav		458	
	Dhruv Singh		350	
	Uma Vishvanathan		300	
(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	NA			
Fully diluted EPS on a pre-Offer basis pursuant to the issue of equity shares on exercise of options calculated in accordance with the applicable accounting standard on 'Earnings Per Share'	(1.58)	(5.41)	(5.41)	(8.00)

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	For the period April 1, 2021 till the date of this Draft Red Herring Prospectus
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the Company had used fair value of options and impact of this difference on profits and EPS of the Company	The Company has recognised the employee compensation cost using fair value option. Hence, there is no differential impact of the same on profits and EPS of the Company.			
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance-based options. Detailed description of the pricing formula, weighted average information viz. risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option are given in the options valuation report dated May 19, 2022.			
Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in the SEBI SBEBSE Regulations in respect of options granted in the last three years	The Company has adopted the accounting policies for ESOP in compliance with the accounting policies as specified in SEBI SBEBSE Regulations in respect of options granted in last three years. Hence, there is no differential impact on profits and EPS.			
Intention of the key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options granted under an employee stock option scheme or allotted under an employee stock purchase scheme, to sell their Equity Shares within three months after the date of listing of the Equity Shares in the initial public offer, if any	-			
Intention to sell Equity Shares arising out of an employee stock option scheme or allotted under an employee stock purchase scheme within three months after the date of listing, by directors, senior managerial personnel and employees having Equity Shares issued under an employee stock option scheme or employee stock purchase scheme amounting to more than one per cent. of the issued capital (excluding outstanding warrants and conversions)	-			

Pursuant to the ESOP 2006, the Company has issued 10,680,230 Equity Shares to 36 employees of the Company, as of the date of this Draft Red Herring Prospectus:

S. No	Scheme details	No. of Equity Shares – Allotted	No. of employees	No. of Equity Shares – Allotment is under process	No. of employees
1	ESOP 2006	10,680,230	36	-	-
	Total	10,680,230	36	-	-

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue and an Offer for Sale.

Offer for Sale

Each Selling Shareholder will be entitled to its respective share of the proceeds of the Offer for Sale after deducting its respective proportion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. For further details, see "- *Offer related expenses*" on page 104 below.

Fresh Issue

Requirement of Funds

We are a leading[1] B2B payments and services provider that digitizes, automates and streamlines B2B payments in supply chains. (*Source*: *RedSeer Report*) B2B payments are payments made between companies for purchase and sale of goods and rendering of services whereas B2C payments are payments between business and consumers. Our platform also enables our Customers and their vendors, suppliers, buyers, dealers and distributors to make statutory payments of direct taxes and GST and utility payments using commercial credit cards.

Our online payments platform integrates Customers and their suppliers, vendors, buyers, dealers and distributors, with our financial institution partners to digitize the entire payment cycle from invoice generation to credit checks to payments. We have a feature-packed platform for vendor payments automation coupled with commercial credit card enablement for facilitating payments. Our platform eliminates the requirement for multiple payments and allows our Customers to centralize the entire process. We, on our platform, also enable credit and lending solutions to our Customers through third party financial institutions, and we do not ourselves undertake any credit risk and do also not have any exposure to credit risk.

India is one of the world's fastest growing digital economies with enterprises in India rapidly adopting technology and growing with increased access to software and digitally enabled financial services (*Source: RedSeer Report*). According to the RedSeer Report, the total TPV for B2B online payments (including cross-border) in India was ₹560 trillion (approximately USD 8 trillion) for Fiscal 2019, ₹490 trillion for Fiscal 2021 (approximately USD 7 trillion) and is expected to grow to ₹735 trillion (approximately USD 10-11 trillion) by Fiscal 2026, representing a CAGR of 8% between Fiscals 2021 and 2026[2]. Accordingly, we have a large addressable market in India.

In order to attain the business growth as envisaged, our business strategy includes the following:

i. Exploiting the network effect of our platform;

ii. Leverage our leadership to capture favourable industry dynamics;

iii. Expand our geographical presence in international markets;

iv. Grow our Customer base in India;

v. Increase our penetration in the existing supply chain ecosystem;

vi. Expand our relationships with financial institution partners; and

vii. Selectively pursue acquisitions.

For further details, see "*Our Business - Our Strategies"* on page 162.

Accordingly, our Company proposes to utilise the Net Proceeds towards funding of the following objects (collectively, referred to as the "**Objects**"):

---

[1] In terms of TPV processed in the nine months ended December 31, 2021 (₹4,64,766 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)*

[2] USD 1 = ₹70

1. Investment for expanding our business into new geographies;

2. Pursuing inorganic initiatives;

3. Placing cash as collateral with our financial institution partners to improve our margins; and

4. General corporate purposes.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us to undertake our existing business activities and other activities set out therein. Further, the activities proposed to be funded from the Net Proceeds would be as permitted under the main objects set out in the Memorandum of Association.

In addition to the Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

Net Proceeds

The details of the Net Proceeds are set forth in the table below:

(*in ₹ million*)

Particulars	Estimated amount
Gross Proceeds from the Fresh Issue*	11,250
(Less) Offer related expenses in relation to the Fresh Issue	([•])
Net Proceeds**	[•]

** Includes proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares pursuant to the Pre-IPO Placement, we may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.*

***To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

Utilisation of Net Proceeds

The proposed utilisation of the Net Proceeds is set forth in the table below**:**

(*in ₹ million*)

Particulars	Estimated amount
Investment for expanding our business into new geographies	770
Pursuing inorganic initiatives^	2,280
Placing cash as collateral with our financial institution partners to improve our margins	6,887
General corporate purposes*^	[•]
Net Proceeds**	[•]

^(i) The cumulative amount to be utilized for general corporate purposes and our object of 'Pursuing inorganic initiatives' shall not exceed 35% of the Net Proceeds; and (ii) the amount utilized for our object of 'Pursuing inorganic initiatives' shall not exceed 25% of the Net Proceeds.

**Subject to the above, the amount to be utilised for general corporate purposes shall not exceed 25% of the Net Proceeds from the Fresh Issue.*

***To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

Proposed schedule of implementation and deployment of Net Proceeds

Our Company proposes to deploy the Net Proceeds for the Objects in accordance with the schedule of deployment of funds set forth in the table below:

(*in ₹ million*)

	Amount to be deployed from the Net Proceeds in		
Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
Investment for expanding our business into new geographies	180	270	320
Pursuing inorganic initiatives^	2,000	280	-
Placing cash as collateral with our financial institution partners to improve our margins	6,887	-	-
General corporate purposes*^	[•]	[•]	[•]

**Subject to the below, the amount to be utilised for general corporate purposes shall not exceed 25% of the Net Proceeds from the Fresh Issue.*

^The cumulative amount to be utilized for general corporate purposes and our object of 'Pursuing inorganic initiatives' shall not exceed 35% of the Net Proceeds; and (ii) the amount utilized for our object of 'Pursuing inorganic initiatives' shall not exceed 25% of the Net Proceeds.
Note: Figures in the table above will be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Further, our Company may decide to accelerate the estimated Objects ahead of the schedule specified above. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects within the Fiscals as contemplated above, our Company will deploy the unutilized portion of such Net Proceeds in the succeeding Fiscal for such purpose.

The actual deployment of funds will depend on a number of factors, including prevailing market conditions, exchange rate fluctuations, our Board's analysis of economic trends and business requirements, competitive and regulatory landscape, current business plan, internal management estimates, certain other commercial and technical factors, including costs and other charges, and other agreements entered into by our Company.

Our fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution or other independent agency. These are subject to revisions on account of changes in costs, financial and market conditions, our management's analysis of economic trends and our business requirements, ability to identify and consummate new business initiatives, strategy or other external circumstances which may not be in our control. This may entail rescheduling and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law. In the event that the funds required to achieve an Object are higher than what is contemplated above, we may explore a range of options including utilising our internal accruals to meet our Objects. Further, if the actual utilisation towards the Objects, as set out hereunder, is lower than the proposed deployment, such balance will be used towards general corporate purposes, provided that the (i) total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds, in accordance with the SEBI ICDR Regulations; (ii) amount utilized for our object of '*Pursuing inorganic initiatives*' shall not exceed 25% of the Net Proceeds; and (iii) cumulative amount to be utilized for general corporate purposes and our object of '*Pursuing inorganic initiatives'* shall not exceed 35% of the Net Proceeds. Also, the amounts utilised towards general corporate purposes will be in compliance with the objectives as set out under "– *General Corporate Purposes*" on page 104 below, and in line with our business.

Means of finance

The entire requirement of funds towards the Objects will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Net Proceeds or through existing identifiable internal accruals.

Details of utilisation of Net Proceeds

(1) Investment for expanding our business into new geographies

We seek to adapt our business model and intend to pursue opportunities in other regions such as CEMEA. We may choose to acquire new technologies, expertise, volume and capabilities by entering into new market segments or entering new geographies. As on date, we, through PayMate LLC, have tie-ups with entities situated in the UAE for providing our services to Customers as a Visa-certified Business Payment Solution Provider and to avail cloud software and other services from such entities. We aim to enter into new international markets in order to drive our acquisition of new customers in new geographies and build relationships with financial institution partners in such countries thereby shortening our sales cycle; and leverage our existing Customers in India with overseas operations to expand our offering to their operations in the other geographies described above. For further details, see "*Our Business - Our Strategies"* on page 162.

In line with our business model, we (a) are setting up wholly-owned subsidiaries namely PayMate Fintech and PayMate India SPC in Sri Lanka and Oman, respectively, in Fiscal 2023, which is proposed to be our wholly-owned subsidiary and aim to commence operations in Fiscal 2023; (b) set up a wholly-owned subsidiary, PayMate India SPC, in Oman in Fiscal 2022 and aim to commence operations post receipt of regulatory approvals; and (c) commenced our operations in the UAE in Fiscal 2020 and seek to continue to make investments in overseas territories which in turn will require us to have sufficient funds to meet the setting up costs. The expenses incurred by us towards investment in the equity of PayMate LLC was ₹2.80 million. In Fiscal 2020, in relation to the setting up of PayMate LLC, we incurred expenses of ₹6 million towards employee benefits, ₹4.30 million towards information technology, infrastructure and license, ₹0.90 million towards business promotion and marketing and

₹6.20 million towards administrative costs. For further details, see "*Financial Statements*" on page 214. Further, we incurred professional and legal expenses of (a) ₹1.89 million in Fiscal 2022 and ₹0.31 million in Fiscal 2023 in relation to the setting up of PayMate India SPC; and (b) ₹0.16 million in Fiscal 2022 in relation to the setting up of PayMate Fintech. Additionally, we have also spent ₹1.24 million in Fiscal 2022 and ₹0.24 million in Fiscal 2021 in relation to obtaining the service investment license from the Ministry of Investment, Kingdom of Saudi Arabia.

Our expansion plan is as follows:

Sr. No.	Country	Status
1.	Kingdom of Saudi Arabia	In the process of acquiring a company in relation to which we have obtained a service investment license from the Ministry of Investment, Saudi Arabia. For further details, please see "- *Pursuing inorganic initiatives*" on page 101.
2.	Qatar	Initiated the pre-regulatory assessment process for setting up a company.

According to the RedSeer Report, global commercial payments volume was estimated at approximately USD 130-135 trillion in 2021. RedSeer estimates that India has approximately USD 8 trillion of the global commercial payments volume, CEMEA approximately USD 10 trillion and Asia-Pacific estimated at approximately USD 58 trillion. (*Source: RedSeer Report*) This presents us with an opportunity to exploit this latent demand and enabling these SMEs to access credit and funding using our PayMate platform. We are currently evaluating growth opportunities in territories in the CEMEA, South Asia and APAC regions. Apart from technology, we will also need to invest in physical infrastructure, communication infrastructure, customer service, operations, employees as well as other facilities involved in extending our operations in these new geographies.

We may undertake these investments directly or through our subsidiaries or incorporation of new entities such as subsidiaries or joint ventures, contingent on various factors including the regulatory requirements of such geographies either in the form of equity or debt or a combination of both or in any other manner as may be decided by our management. The actual mode of such deployment has not been finalised as on the date of this Draft Red Herring Prospectus. Further, all such investments by us will be subject to compliance with the provisions of applicable law in India and of the respective geographies.

In light of the above, we propose to utilize ₹770 million out of the Net Proceeds towards investment in our business in new geographies.

(2) Pursuing inorganic initiatives

We intend to undertake inorganic initiatives to foster our expansion, including by way of acquisitions, that will add value to our offerings in India as well as in the overseas market. Since B2B payment services (*i.e.* payments, collection and automation services) involve a wide array of offerings that may be integrated with our platform such as factoring and expense management, we will continuously pursue opportunities for evaluating potential targets for such investments and acquisitions. We will, from time to time, seek opportunities that we believe fit well with our strategic business objectives and intend to deploy a certain portion of the Net Proceeds towards such opportunities. Historically, we were primarily focused on growing our business organically, we may selectively acquire businesses which are able to synergise with our existing business model in order to expand our product and services offering, thereby providing us new capabilities to serve our existing Customers and strengthen or establish our presence in our domestic and targeted overseas markets.

Going forward, it is expected that in addition to the IT sector, the pharma, education, retail, and financial services sectors will increase their investment in building technological capabilities and the major themes in which these players are significantly investing are artificial intelligence, machine learning, cloud, video conferencing platforms, etc. As per RedSeer estimates, global B2B payments are expected to grow from USD130-135 trillion in 2021 to USD 165-170 trillion in 2025. Cross border transactions are expected to account for approximately 16% of total B2B transactions (by value) in 2025. (*Source: RedSeer Report*). Our target areas where we may pursue select opportunities are areas including those that:

a) employ artificial intelligence and machine learning capabilities such as digital invoicing, expense management and reporting which will add value to SMEs from a cash flow and business management standpoint,

b) use advanced technology for cross border payments and blockchain technology companies with B2B applications especially around ledgers or invoicing;

c) provide robust order to cash (O2C) and record to report (R2R) solutions that can be integrated with our platform to offer a 360-degree offering to existing and future Customers;

d) firms engaged in mobile applications and platform security applications that will help strengthen product security and mitigate risks around card and digital transactions;

e) offer credit and lending solutions to SMEs with a strong book and customer base;

f) firms providing human resource related services on matters linked to payroll, attendance, appraisals, etc. to SMEs as it would help us in integrating these services on our platform and offer our payments and receivables automation solutions to the SMEs;

g) engage with live customers on the invoice discounting front which will provide us a leverage to accelerate growth in this sector and assist in accelerating the monetisation of our existing payments ecosystem;

h) offer B2B payment platforms in other geographies which will in turn provide us an opportunity to accelerate our growth in such geographies; and/ or

i) are engaged in ancillary activities in the B2B ecosystem which can be seamlessly integrated with our platform and will provide further value to the existing and new customers.

In Fiscal 2021, we completed our merger with Zaitech, which enabled our Company to integrate the credit evaluation and scoring technology of Zaitech with our payments platform, thereby offering a full-stack payments and credit platform. This facilitated credit checks and evaluation of our Customers including SMEs on our Company's platform, thus enabling access to credit to these Customers including SMEs in partnership with our financial institution partners. This full-stack platform is a tool for supply chain payments and credit automation. For further details, see "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years"* on page 189. Further, we are in the process of acquiring a 78% stake for SAR 39,000 in Easy Pay Trading Company, a company which is authorised under its charter documents to engage in the business of software development in the Kingdom of Saudi Arabia. For further details on the Subsidiary SHA governing the acquisition of Easy Pay Trading Company, see "*History and Certain Corporate Matters - Shareholders' agreements and other material agreements"* on page 189. Such inorganic acquisitions pursued by us also foster optimum time and resource utilisation.

The actual deployment of funds towards these inorganic initiatives will depend on a number of factors, including the timing, nature, size and number of initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential initiatives, *i.e.*, whether they will be directly done by our Company or through a subsidiary or a joint venture by way of investments in such target entities in the form of equity, debt or any other instrument or combination thereof and/or through partial/full equity buyout from the promoters/stakeholders of such entities. Such initiatives may also be undertaken as share-based transactions, including share swaps, or a combination thereof. At this stage, our Company cannot determine whether the form of investment will be cash, equity, debt or any other instrument or combinations thereof.

We intend to use ₹2,280 million of the Net Proceeds to undertake inorganic growth initiatives focussed towards expansion of our operations, enhance the offerings available on the PayMate platform and presence in India and overseas.

Rationale for future inorganic initiatives

Set out below are certain criteria that we may consider when evaluating inorganic growth initiatives:

a) strategic fit with our existing businesses;

b) expertise in the domain we operate in or wish to expand into;

c) enhance our geographical reach;

d) strong management team;

e) new Customers/ Users that we can acquire for our existing products;

f) new capabilities to serve existing Customers;

g) newer platforms, service/product offerings, including ones which plug-in gaps in our existing ecosystem/value chain;

h) ability to strengthen market share in existing markets; and

i) ability to consolidate market share in specific verticals/ industry segments.

While we continue to invest significantly in data and technology, we believe that inorganic growth will also be a viable method for enhancing our product offerings, acquiring high quality engineering talent or even for acquiring specialised technologies enabling us to enter new geographies as set forth in "- *Investment for expanding our business into new geographies*" above.

Acquisition Process

The typical framework and process followed by us for acquisitions involves identifying the strategic acquisitions based on the criteria set out above, entering into requisite non-disclosure agreements and conducting diligence of the target. On satisfactory conclusion of the diligence exercise, we enter into definitive agreements to acquire the target based on the approval of our Board and the Shareholders, if required.

As on the date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements towards any future acquisitions or strategic initiatives for this Object.

(3) Placing cash as collateral with our financial institution partners to improve our margins

Our Customers can use their commercial credit cards for making payments to their vendors using our platform. Upon usage of these commercial credit cards on our platform, the Customers are charged a merchant discount rate ("**MDR**") by us and we settle the transactions net of the MDR payments to the vendors. In turn, our payment gateway partners, *i.e.* our financial institution partners, charge us processing fees per transaction for processing such transactions ("**Acquiring Rate(s)**"). Therefore, the gross margin earned by us is the difference between the MDR charged from our Customers and Acquiring Rate charged by our payment gateway partners.

Upon placement of cash as interest and lien free collateral in a nodal/ escrow account with our payment gateway partners, these partners are able to leverage such collateral and thus, reduce the Acquiring Rate they charge us, which in turn improves the gross margin for us. For instance, if the MDR charged by us to a Customer is 1.83% and the Acquiring Rate is 1.80%, then in this case the gross margin earned by us will be 0.03% of transaction value. However, if a payment gateway partner reduces the Acquiring Rate from 1.80% to 1.75% due to the collateral placed by us with them, our gross margin would increase from 0.03% to 0.08%. The specific terms and conditions surrounding such deposits are determined at the time of placement of the cash as collateral. Since 96% (as of December 31, 2021) payments by our Customers and Users are routed through card networks, we work closely under our arrangements with financial institution partners that offer cash management services and payment gateway services to get attractive commercial rates that could improve our gross margins. In the past, while we have not placed cash as collateral with our payment gateway partners (on account of limited working capital at our disposal) and have only been able to reduce the Acquiring Rate solely on account of higher volume of transactions on our platform, we intend to use ₹6,887 million of the Net Proceeds to place as collateral with certain or all of our payment gateway partners. The placement of a portion of the Net Proceeds with our payment gateway partners will result in a reduction of the Acquiring Rate which in turn will lead to an increase in our gross margins.

In this regard, we have initiated discussions with a scheduled commercial bank for placing a portion of the Net Proceeds as collateral, which will be interest and lien free, in our payment aggregator escrow account with the financial institution partner. The monetary or financial benefits are expected to be a minimum of 2 basis points ("**BPS**") of the transaction volume depending on our negotiations with the respective financial institution partners from time to time and the monthly volume commitments provided by us. For instance, with respect to commercial credit cards, we had a TPV of ₹74,735.09 million in December 2021, therefore a reduction in the Acquiring Rate by a minimum of 2 BPS (*i.e.* approx. 7.3% annualised versus approx. 5% p.a. of interest received on fixed deposits placed with a scheduled commercial bank) will result in an improvement in our margins by ₹14 million per month which will result in an annualised improvement in our margins and profitability by ₹168 million. Therefore, while the return on investment on such amounts would be constant in comparable fixed deposits or government securities, the benefits gained from such cash collateral are scalable and directly correlated with the growth in TPV.

In addition, a reduction in the Acquiring Rate on account of placement of cash as collateral will allow us to consider reduction of MDR charged by us to our Customers. This decrease may in turn lead to an increase in the transaction volumes with our Customers. Such increase will also help us exploit the network effect created by the addition of every User and Customer on our platform. For instance, we have processed total TPV of ₹210,306.89 million, ₹197,644.25 million, ₹221,419.31 million and ₹484,005.06 million during Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, respectively, which shows an expanding network effect within our Customers. In line with our strategy, once a large enterprise is on-boarded on to our platform as a Customer, we aim to bring the vendors, suppliers, buyers, dealers and distributors of Customers on to our platform as SME clients to provide them services in relation to their vendor payments, GST and direct tax payments. For instance, our experience in B2B supply chain payments automation has allowed us to onboard 49,953 Customers and 116,858 Users as on December 31, 2021. Among the 49,953 Customers, 480 were Enterprise Customers and 49,473 were SME Customers. Further, this will also enable us to offer our high margin yielding products such as invoice discounting, facilitating working capital credit from financial institutions partners and enabling applications for issuance of fresh commercial credit card to such SME Customers and Users.

We intend to place the cash as collateral in our payment aggregator escrow account for a long period of time in order to avail the benefit of increased margins on a continuous basis. The term '*long period*' in this context means a time frame by when our high margin yielding products start contributing to our profitability and completely compensate the benefits accrued to us on account of placing cash as collateral with such payment gateway partners under a payment aggregator escrow account. Further, as we grow and commence the monetisation of other high margin yielding products on a large scale, our dependency on maintaining such cash as collateral will gradually reduce.

(4) General corporate purposes

The Net Proceeds will first be utilised for the Objects as set out above. Subject to this, our Company intends to deploy the balance Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by the Board, from time to time, provided that (i) such utilisation for general corporate purposes not exceeding 25% of the Net Proceeds; and (ii) the cumulative amount to be utilized for general corporate purposes and our object of '*Pursuing inorganic initiatives*' shall not exceed 35% of the Net Proceeds, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, without limitation, (i) meeting ongoing general corporate contingencies and business requirements of our Company, (ii) expenses incurred in the ordinary course of business, (iii) expenses towards new product development; (iv) employee and other personnel expenses; and (v) any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by the Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any. In the event that our Company is unable to utilise the entire amount that our Company has currently estimated for use out of Net Proceeds in a Fiscal, our Company will utilise such unutilised amount in the next Fiscal.

Offer related expenses

The total expenses in relation to the Offer are estimated to be approximately ₹[•] million. The expenses in relation to the Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Banker(s) to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All charges, fees and expenses associated with and incurred in connection with the Offer will be shared pro-rata between the Company and each of the Selling Shareholders in line with Section 28 of the Companies Act, except (i) listing fees, fees payable to the Statutory Auditor for the annual audit of our Company's financial statements in accordance with the provisions of the Companies Act, 2013 and any corporate communication or publicity undertaken by our Company which is not connected to the Offer, each of which shall be borne by our Company; and (ii) fees and expenses in relation to the respective legal counsel to the Selling Shareholders which will be

borne by the respective Selling Shareholders. Each Selling Shareholder shall bear its portion of the expenses in proportion to the number of Equity Shares being offered and sold by such Selling Shareholder, in the offer for sale in the Offer.

All the above payments shall be made first by the Company. Upon the successful completion of the Offer, each Selling Shareholder will reimburse the Company in proportion to its respective portion of the Equity Shares sold in the Offer from the proceeds of the Offer for Sale due and payable to each Selling Shareholder, for any expenses incurred by our Company on behalf of such Selling Shareholder.

The break-down of the estimated Offer expenses is disclosed below:

Sr. No	Activity	Estimated amount[(1)] (*in ₹ million*)	As a % of total estimated offer expenses[(1)]	As a % of Offer Size[(1)]
1.	BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	[•]	[•]	[•]
2.	Selling commission/processing fee for SCSBs, Banker(s) to the Offer, Sponsor Bank(s) and fee payable to the Sponsor Bank(s) for Bids made by RIIs[(2)(3)(4)]	[•]	[•]	[•]
3.	Bidding charges for members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs[(5)]	[•]	[•]	[•]
4.	Fees payable to the Registrar to the Offer	[•]	[•]	[•]
5.	Other expenses:			
	(i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[•]	[•]	[•]
	(ii) Printing and stationery	[•]	[•]	[•]
	(iii) Advertising and marketing expenses	[•]	[•]	[•]
	(iv) Fee payable to legal counsel	[•]	[•]	[•]
	(v) Miscellaneous	[•]	[•]	[•]
	Total estimated Offer Expenses	[•]	[•]	[•]

(1) *Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price. Offer expenses include applicable taxes, where applicable. Offer expenses are estimates and are subject to change.*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Investors, Eligible Employees and Non-Institutional Investors, which are directly procured by the SCSBs, would be as follows*

*Portion for Retail Individual Investors**	*[•]% of the Amount Allotted* (plus applicable taxes)*
*Portion for the Eligible Employees**	*[•]% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*[•]% of the Amount Allotted* (plus applicable taxes)*

**Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE*

(3) *No uploading/processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them Processing fees payable to the SCSBs on the portion for Retail Individual Investors, Eligible Employees and Non-Institutional Investors which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

Portion for Retail Individual Investors	₹[•] *per valid Bid cum Application Form (plus applicable taxes)*
Portion for Eligible Employees	₹[•] *per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non-Institutional Investors	₹[•] *per valid Bid cum Application Form (plus applicable taxes)*

(4) *The processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:*

Sponsor Bank(s)	₹[•] *per valid Bid cum Application Form* (plus applicable taxes)* *The Sponsor Bank(s) shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

**For each valid application*

(5) *Selling commission on the portion for UPI Bidders using the UPI Mechanism, Eligible Employees and Non-Institutional Investors which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:*

Portion for Retail Individual Investors	*[•]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Investors	*[•]% of the Amount Allotted* (plus applicable taxes)*

*Portion for the Eligible Employees**	*[•]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by UPI Bidders procured through the UPI Mechanism, Eligible Employees and Non-Institutional Investors which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: ₹[•] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

(6) *The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.*

(7) *Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the portion for RIIs and Non-Institutional Investors which are procured by them and submitted to SCSB for blocking, would be as follows: ₹[•] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.*

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Bidding charges payable to the Registered Brokers, RTAs/CDPs on the portion for UPI Bidders using the UPI Mechanism, Eligible Employees and Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSB for processing, would be as follows:

*Portion for Retail Individual Investors**	*₹[•] per valid application (plus applicable taxes)*
*Portion for Eligible Employees**	*[•]% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹[•] per valid application (plus applicable taxes)*

** Based on valid applications*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by the Board. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as at the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring utilisation of funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a monitoring agency to monitor the utilisation of the Net Proceeds prior to filing the Red Herring Prospectus. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will disclose and continue to disclose details of all monies utilised out of the Fresh Issue till the time any part of the Fresh Issue proceeds remain unutilised, under an appropriate head in the balance sheet of our Company. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the use and application of the Net Proceeds. Furthermore, in

accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the object of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the object of the Fresh Issue as stated above. This information will also be uploaded onto our website.

Variation in the Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, read with Regulation 59 and Schedule XX of the SEBI ICDR Regulations and applicable rules, our Company shall not vary the Objects without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details, including justification for such variation and be published and placed on website of our Company, as required under the Companies Act, 2013 read with applicable rules. The Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, being the vernacular language of the jurisdiction where the Registered and Corporate Office is situated. Pursuant to Section 13(8) of the Companies Act, 2013, the Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

Appraising agency

None of the Objects of the Offer for which the Net Proceeds will be utilised has been appraised by any agency.

Other confirmations

No part of the Net Proceeds will be paid by our Company as consideration to the Promoters, the Directors, or the Key Managerial Personnel. Further, there is no existing or anticipated transactions in relation to utilization of Net Proceeds by our Company with the Promoters, members of the Promoter Group, the Directors, the Key Managerial Personnel or the Group Company.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is [•] times the Floor Price and [•] times the Cap Price. Investors should refer to "*Risk Factors*", "*Our Business*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 152, 214 and 277, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Leading B2B payments solutions provider;
- Long term Customer relationships and deep focus on User engagement;
- Relationships with key stakeholders in the payment automation ecosystem;
- Scalable and data-centric technology enabled platform;
- Strong focus on processes and risk management; and
- Experienced management team and marquee shareholders.

For further details, see *"Risk Factors"* and *"Our Business"* on pages 26 and 152, respectively.

Material key performance indicators

The key performance indicators which have a bearing on the basis for computing the Offer Price are:

	Fiscal			Nine months ended December 31, 2021
	2019	2020	2021	
Total TPV (₹in million)	210,306.89	197,644.25	221,419.31	484,005.06
Revenue from operations (₹in million)	2,358.50	2,161.39	3,484.00	8,434.38

Quantitative factors

Some of information presented below relating to our Company is based on the Restated Financial Statements. For details, see *"Financial Statements"* on page 214.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and diluted Earnings per Share ("EPS") at face value of ₹1 each:

As per Restated Financial Statements:

Year/period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2021	(5.41)	(5.41)	3
March 31, 2020	(5.41)	(5.41)	2
March 31, 2019	(1.58)	(1.58)	1
Weighted Average		(4.77)	
Nine months ended December 31, 2021*	(8.00)	(8.00)	

**Not annualised.*

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x weight) for each year divided by the total of weights.*
2. *The figures disclosed above are based on the Restated Financial Statements.*
3. *The face value of each Equity Share is ₹1.*

4. *Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year divided by the weighted average no. of equity shares.*

5. *Basic EPS and diluted EPS calculations are in accordance with the relevant accounting standard.*

6. *The above statement should be read with significant accounting policies and the notes to the Restated Financial Statements.*

2. Price/Earning ("P/E") ratio in relation to Price Band of ₹[•] to ₹[•] per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2021 on Restated Financial Statements	[•]	[•]
Based on diluted EPS for Fiscal 2021 on Restated Financial Statements	[•]	[•]

Industry Peer Group P/E ratio

There are no listed companies in India whose business portfolio is comparable with that of our business and comparable to our scale of operations. Hence, it is not possible to provide an industry comparison in relation to our Company.

3. Average Return on Net Worth ("RoNW")

Period/Year ended	RoNW (%)	Weight
March 31, 2021	(163.40)	3
March 31, 2020	(79.57)	2
March 31, 2019	(209.17)	1
Weighted Average	(143.09)	
Nine months ended December 31, 2021*	(108.76)	

** Not annualised.*

Notes:

1. *Return on Net Worth (%) = Net profit after tax before other comprehensive income (as restated) divided by net worth at the end of the year/period.*
2. *Net Worth has been computed as sum of paid up share capital and other equity.*

4. NAV per Equity Share (Face value of ₹1 each)

NAV	(₹)
As on December 31, 2021	7.36
After the Offer	
- At the Floor Price	[•]
- At the Cap Price	[•]
- At Offer Price	[•]

Notes:

1. *NAV per Equity Share = Net worth as per the Restated Financial Statements divided by the number of Equity Shares outstanding as at the end of year/period.*

5. Comparison of accounting ratios with listed industry peers

There are no listed companies in India whose business portfolio is comparable with that of our business and comparable to our scale of operations. Hence, it is not possible to provide an industry comparison in relation to our Company.

6. The Offer Price is [•] times of the face value of the Equity Shares.

The Offer Price of ₹[•] has been determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*" and "*Financial Statements*" on pages 26, 152 and 214, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "*Risk Factors*" on page 26 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors
PayMate India Limited
CIN: U72200MH2006PLC205023
REGD. NO.111, 1ST FLOOR, 'A' WING,
SUNDERVILLA S.V. ROAD,
SANTACRUZ (WEST), MUMBAI,
MAHARASHTRA- 400054, INDIA

Dear Sir/Ma'am,

Sub: Statement of possible special tax benefits available to PayMate India Limited and to its shareholders prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations")

1. We, MSKA & Associates ("the Firm"), Chartered Accountants, the statutory auditors of PAYMATE INDIA LIMITED (the "Company") herewith confirm the enclosed statement in Annexure (the "Statement") prepared and issued by the Company, which provides the possible special tax benefits available to the Company and the shareholders of the Company as per the provisions of the Indian direct and indirect tax laws, including the Income-tax Act, 1961 as amended by the Finance Act, 2021, i.e. applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23 (as covered in Annexure[1]), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975, each as amended (collectively the "Taxation Laws"), including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as applicable to the assessment year 2022-23 relevant to the financial year 2021-22 available to the Company and its shareholders. Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders face in the future, the Company and its shareholders may or may not choose to fulfil.

2. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Law other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

3. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

4. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them.

5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

6. The benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the

specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

7. We do not express any opinion or provide any assurance whether:

- The Company and its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

8. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

9. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Annexures to this statement are intended solely for your information and for inclusion in the draft red herring prospectus, the red herring prospectus, the prospectus, and any other material in connection with the proposed initial public offering of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this statement is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this statement, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it

For **MSKA & Associates**
Chartered Accountants
Firm Registration Number: 105047W

_____
Ananthakrishnan Govindan
Partner
Membership No: 205226
UDIN: 22205226AJSXHZ9408

Place: Hyderabad
Date: May 27, 2022

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO PAYMATE INDIA LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS

Outlined below are the possible Special Tax Benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND TO THE SHAREHOLDERS OF THE COMPANY

Under the Income Tax Act, 1961 ('the Act')

1. Special tax benefits available to the company under the Act

There are no special tax benefits available to the Company.

2. Special tax benefits available to the shareholders under the Act

- Long term capital gains on transfer on shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 112A of the Act at 10% (plus applicable surcharge and cess).

- Short term capital gains arising on transfer of shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 111A of the Act at 15% (plus applicable surcharge and cess).

- Non-resident shareholders including foreign portfolio investors may choose to be governed by the provisions of Double Taxation Avoidance Agreement, to the extent they are more beneficial.

Notes:

- These tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

- This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax

- consequences that apply to them.

- The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

- This statement is intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

For **PayMate India Limited**

_____

Vishvanathan Subramanian
Chief Financial Officer
Date: May 27, 2022
Place: Mumbai

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND TO THE SHAREHOLDERS OF THE COMPANY

Outlined below are the possible tax benefits available to the Company and its shareholders under the Indirect tax laws in force in India. This Statement is as per the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2021 including the relevant rules, notifications and circulars issued there under, applicable for the Financial Year 2021-22, presently in force in India.

UNDER THE INDIRECT TAX

BENEFITS TO THE COMPANY UNDER VARIOUS INDIRECT TAX LAWS:

1. Special tax benefits available to the Company

(i) The Company has one GSTIN operating in the state of Maharashtra.

(ii) We understand that the Company has earning in foreign exchange. For cross border transactions that entail inward remittance of foreign currency, there are specific benefits which have been provided under Indirect tax laws/regulations subject to fulfillment of prescribed conditions.

2. **Special Tax Benefits available to the Shareholders of the Company**

(i) The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company.

Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

(ii) Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under.

Notes:

1. This Statement covers only certain relevant Indirect tax law benefits and does not cover any other benefit under any other law.

2. These tax benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Indian Indirect Tax Regulation. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil.

3. The tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

   i. the Company or its shareholders will continue to obtain these benefits in future;

   ii. the conditions prescribed for availing the benefits have been/ would be met with; and

   iii. the revenue authorities/courts will concur with the view expressed herein.

5. The above views are based on the existing provisions of laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

For **PayMate India Limited**

_____

Vishvanathan Subramanian
Chief Financial Officer
Date: May 27, 2022
Place: Mumbai

SECTION IV- ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*The information contained in this section is derived from a report titled "Opportunities in B2B Payments in India" dated May 16, 2022 prepared by RedSeer (the "**RedSeer Report**"), and commissioned and paid by our Company only for the purposes of the Offer. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Forecasts, estimates, predictions, and other forward-looking statements contained in the RedSeer Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. In this section, please note that the timeline for analyses with global benchmarks are in calendar years and not Fiscals.*

INDIA MACROECONOMIC VIEW

INDIA IS GROWING FASTER THAN OTHER BIG ECONOMIES LIKE U.S. AND CHINA

Note: RedSeer has avoided to show FY data for all interim years to ensure readability

Source(s): Secondary Research (IMF), RedSeer Estimates
Note: In all analysis with global benchmarks, the timeline will be CY and not FY

With a GDP of approximately USD 2.9 trillion in 2021, India is one of the largest economies in the world. Post COVID-19, India is on a strong recovery track and the country's GDP growth rate is projected at a CAGR 8.7% from 2020 to 2025, highest among the larger economies leading to India becoming a USD 4.1 trillion economy by 2025. According to Centre for Economics and Business Research ("**CEBR**"), India is expected to become the third largest economy in the world by 2030.

This indicates an encouraging economic recovery and consequently it is expected that there will be an uptick in tax (GST and corporate) collections.

GROWING DIGITIZATION IN INDIA

In India's diverse business landscape, major digital technology adopters are corporates

Source(s): Government data - MCA, MOSPI, MSME Annual Report 2022, RedSeer Analysis, Corporate data and Paid-up Capital Data as on February 28, 2022
Note: 1. Corporates are defined as businesses which come under Companies Act (Pvt. Ltd. Or public Listed) 2. Unincorporated businesses are typically proprietorships or partnerships and do not need to submit their financials to Registrar of Companies (RoC)

India has a vibrant business landscape - ranging from multinational companies, private companies to small retailers (kiranas) and one-person companies. As of February 28, 2022, there were 1.4 million corporates with a total paid-up capital of approximately USD 694 billion out of 64.8 million businesses. Due to their huge market size, corporates are well equipped to invest in and implement enterprise-wide cloud-based SaaS solutions as they have the advantage of having capital to invest, scale and can hire talent with requisite technical expertise in the software domain.

With Covid-19 pandemic making social distancing and work from home mainstream, enterprises were faced with a disruption in work processes, increased focus on employee health and safety. IT spending in India remained resiliently backed by corporate spending on work from home software, increasing data privacy software and service continuity.

Micro, small and medium enterprises ("**MSMEs**") are considered as the bulwark of India's economy and have emerged as a dynamic sector over the past five decades. They have contributed 30.27% to India's GDP in Fiscal 2019 and their GVA contribution to India's economy has increased at 12% CAGR between Fiscal 2015-19 as per MSME Annual Report 2021. Due to the government push for formalization, there was an additional 10 million MSME getting their UAM registration in June 2020. However, SMEs are still catching up as low levels of formalization arrest their scaling operations. With digital payment becoming ubiquitous, SMEs are also gearing up to employ automation solutions as they are more efficient and cost effective. They currently have the advantage of digitizing their systems by using an operating expenditure model, where systems are charged on a use-basis and incremental upgrades are easier to implement. This is financially advantageous for us as opposed to huge capital investments in legacy ERP systems. Fintech players can get various tools on boarded over their unified platform through APIs.

Corporates are front-runners in adopting digital payment solutions, while MSMEs still largely rely on cash and cheque

Business adoption of B2B Payment modes (By Value)
2021

Low adoption | Medium adoption | Fully adopted

	Corporates (Large Businesses)	Small and Mid-Sized Businesses	Micro Businesses and Retailers
Commercial Cards	Commercial cards are used by specific departments for procurement, agent payments	Absence of payment acceptance infrastructure, lack of decent credit score leads to low adoption	Absence of payment acceptance infrastructure, lack of decent credit score leads to low adoption
NEFT	Payments are made easily and is integrated with ERP/Corporate Banking solutions	Increasingly adopting digital mode of payment, NEFT offers flexibility of small to large ticket sizes	NEFT has no floor value, used for small ticket wholesale payments (to suppliers)
RTGS	Large ticket size payments are made easily and is integrated with ERP/Corporate Banking solutions	May not have reached the scale to make large ticket transactions frequently	RTGS has a floor value of 2 Lakh INR and transaction fees charges making it less preferred
Cash and Cheque	They are formal and have adopted digital payment modes for better accounting and transparency	Their vendors may lack payment acceptance infrastructure and hence still rely on ash and cheque	Largely still informal, making cash the preferred mode of payment

Source(s): RedSeer Analysis.

There are various payment modes employed by businesses to make vendor, utility payments. Cash and cheque and traditional paper-based modes of payments, whereas digital payment modes are real-time gross settlement ("**RTGS**"), national electronic funds transfers ("**NEFT**") and commercial credit cards. Corporates are early digital adopters and have adopted all modes of digital payments, they are also consequently front-runners for adopting innovative technology. They mostly use RTGS, NEFT through their enterprise solutions or corporate banking solutions while specific departments are authorized to make big-ticket procurement purchases through commercial credit cards.

India is one of the world's fastest growing digital economies with enterprises in India rapidly adopting technology and growing with increased access to software and digitally enabled financial services.

However, commercial credit cards as a payment mode is yet to achieve its full potential, in spite of an inherent advantage of a credit limit, due to lack of payment acceptance infrastructure, adoption of commercial credit cards by vendors, transaction fees and lagging risk management frameworks.

Most MSMEs still prefer traditional modes of cash and cheque and maintain accounting teams or legacy systems to reconcile and manage payment flows. They are time-consuming and error-prone, yet are widely used as the shift from legacy to digital is slowly arriving.

Traditionally firms use multiple portals which suit different payment modes. While most banking solutions offer RTGS and NEFT facilities, some B2B recurring payments like GST payments have their own portals, payment frequency and do not support all payment modes such as commercial credit cards.

Strong digital payment adoption is reflected in India's overall IT spends, expected to reach USD 120-130 billion by Fiscal 2026

Source(s): RedSeer Estimates.

India has adopted digital processes at an unprecedented rate. This can be seen as India matches up with global digital benchmarks. In 2020, India featured in the top three countries by smartphone usage with 500-550 million smartphone users. As of 2021, the number of smartphone users in India has grown to 525-575 million. As per RedSeer estimates, India is expected to have approximately 1 billion internet users by financial year 2026. Even in the business landscape, out of 90 million MSMEs and merchants including trade and manufacturing MSME, shopkeepers and kirana, approximately 60% have internet connectivity and are digitally enabled.

The move towards digital transformation in corporations can be seen from the robust IT spending in India. Overall spending on IT is set to accelerate in the coming years to reach USD120-130 billion by financial year 2026 as per RedSeer estimates.

According to RedSeer, there was a slowdown in spending in 2020 due to the pandemic and associated lockdowns. Going forward, it is expected that in addition to the IT sector, the pharma, education, retail, and financial services sectors will increase their investment in building technological capabilities. The major themes in which these players are significantly investing are artificial intelligence, machine learning, cloud, video conferencing platforms, etc.

Companies are trying to digitize and automate their processes and create a digital ecosystem which is expected to help them in cost reduction, faster and efficient processes, faster rollout of products and services, etc. Fintech Platforms are providing end-to-end payment solutions to integrate with the underlying ERP systems of the customers and provide intuitive user interface. According to RedSeer, it is expected that these platforms will gain prominence and become the front-end shifting the ERP and legacy systems to the back end.

Digital readiness has translated into a fertile fintech sector – with fintech funding growing approximately thrice from 2020 to 2021

Source(s): RedSeer Analysis

Despite the outbreak of COVID-19 pandemic, India witnessed strong funding and investments in the fintech sector of USD 7-8 billion in 2021, as compared to USD2-3 billion in 2020. The funding also includes funds raised from initial public offerings.

The increase in funding and interest in funding is a result of the governmental and regulatory push to boost digital transactions, following a strong adoption of online payments during the lockdown.

RBI's regulations are keeping pace with technological advancements which help improve customer confidence and increase accountability

Source(s): RedSeer Analysis, RBI

For the conducive growth of fintech innovations in digital payments, RBI actively updates guidelines and regulations to create a robust ecosystem. In 2009, RBI provided interim guidelines for the payment aggregators and gateways where only a nodal bank account was required to be maintained by them to safeguard customer interests and did not require RBI registration. The Payment and Settlement Systems Act 2007, which regulates and supervises payment systems in India and designates the apex institution (RBI) as the authority for that purpose and all associated areas, was amended in 2020. The amendment imposes a penalty on unauthorized payment system operators and intends to be stricter with payment system operators. Furthermore, it has laid down separate procedures for the imposition of penalty and compounding of offenses. This will ensure transparency and accountability among the payment systems and to prevent unauthorized operations.

However, today, a decade later digital payment systems and payments have undergone massive transformation. They have become more intricate and complex. To understand scope for update and possible changes to regulatory framework RBI has come up with guidelines for payment aggregators ("**PA**") and payment gateways ("**PG**").

In 2020, payment aggregators were required to get a license from RBI. Furthermore, the businesses need to satisfy a basic set of IT requirements like data security measures to maintain latest encryption standards, risk assessment and place remedial measures, submit cyber security audit reports, etc. In 2021, RBI passed guidelines that prohibited payment aggregators from storing customer card credentials. This will help prevent data theft and misuse.

Payment gateways are entities which provide technology infrastructure to route and facilitate online payment transactions and do not handle funds. Payment aggregators are entities which facilitate merchants and businesses to receive payments, pool and transfer them on to the merchants after a certain time.

With digital payments fast becoming ubiquitous, these measures buoy customer confidence and help players adopt appropriate frameworks for managing risk.

Government is also encouraging digital B2B payments and fintech solutions in an otherwise cash and cheque-dominated landscape

Source(s): RedSeer Analysis

Along with RBI, the government of India has also taken initiatives to boost the growth of B2B fintech players. In May 2020, the government exempted businesses from mandatory use of e-payments facilities such as RuPay and UPI. Previously, businesses failing to comply were required to pay ₹5,000 per day as penalty. To promote adoption of B2B payment, in September 2020, the UPI steering committee endorsed UPI B2B transactions as a separate category within the UPI ecosystem, which enables instant B2B transfer of money from one bank account to another via mobile phones. Government e-marketplace (GeM) is a one stop portal that helps facilitate procurement required by various government departments and helps government departments get products at best value and facilitates demand aggregation along with several other tools like e-bidding and reverse auction.

In July 2021, the parliament passed the factoring amendment bill, which aims to widen the scope of institutions that can participate in factoring. Prior to the factoring amendment bill, only non-banking financial company to conduct factoring business if more than half of their assets were to deployed and income earned from the factoring business. According to RedSeer, the factoring amendment bill removes the threshold for entities to conduct factoring business, and is expected to increase the supply of funds available to SMEs and bring down cost of funds, such that MSME will get easier access to credit and smoother working capital.

Business payments encompass a variety of transactions amongst different stakeholders, with B2B and Tax Payments being the focus

Payment Landscape originating from businesses

Focus of the study

	Payment Type	Receiver	Instrument Modes
1.	B2B	Online Vendors/ Suppliers[1]	Corporate Banking, Commercial Cards, B2B fintech solutions
2.	B2B	Offline Vendors/ Suppliers[1]	Majorly Cash and cheque payments
3.	Tax Payments	Government (Payments like taxes)	Payment modes like RTGS, fintech players, GSP
4.	B2B (Cross Border Payments)	Overseas Vendors/ Suppliers	SWIFT Gpi, Card Networks and Banks
5.	B2C (Cross Border Payments)	Overseas Consumer	SWIFT Gpi, Card Networks and Banks
6.	B2C	Employee Payouts (like salary, pension)	Majorly NACH
7.	B2C	Consumers	Cards, RTGS, NEFT, IMPS etc.

Source(s): RedSeer Analysis.
Note:
1. Includes Utility Payments

There is a variety of transactions involved in businesses. These transactions are:

*Business-to-customer ("**B2C**") payments*

This includes payments made to individuals, periodic payments such as salary and pension payments, and B2C cross-border payments are largely done via SWIFT, global payment innovation, card networks and banks.

Tax payments

This includes payments made to the government in the form of direct taxes like corporate tax, and indirect taxes like GST.

For payments of direct taxes and indirect taxes, companies usually navigate across different portals, manage various accounts, and then reconcile with their own books to keep one source of truth and accountability. It is a cumbersome exercise in large enterprises who rely on ERP systems and more so in SMEs where most accounting is a manual process.

*Business-to-business ("**B2B**") payments*

B2B payments are made in return of goods and services a business provides another business. The payments can be made digitally via RTGS or NEFT, commercial credit cards, or using the traditional modes of payment like cash and cheque.

Large enterprises usually employ ERP systems to manage accounting, invoice generation etc. New age fintech players usually build upon these legacy solutions to create a one-stop view for all AR/AP entries, tax and utility payments.

This also includes cross-border payments which are done to overseas vendors and suppliers via Swift global payment innovation, card networks and banks.

For this study only B2B (Business-to-Business payments, including vendor payments and utility bill payments) and tax payments (direct tax and GST) payments have been considered.

Business payment process is complex as it is settled over a period, requiring account reconciliations at both ends

Source(s): RedSeer Analysis.

Traditional B2B payment process involves buyers and suppliers. The various steps of B2B payment flow are:

- The buyer sends a purchase order to a supplier to buy goods or service which the supplier fulfills and sends an invoice.
- The accounting team of the buyer then reconciles the invoice with the purchasing order. They seek approvals and initiate payments. In this regard, various accounting entries are made, and data points are collected to manage the risk and account payables.
- Once the supplier receives the deposit sent by the buyer, its accounting team performs a series of checks to ensure that the amount reconciles and settles the operating accounts.

However, the traditional system of B2B payments have the disadvantages of lot of paperwork due to non-standardized invoices and tedious data entry, which are manual and prone to errors. Gathering approvals from several departments for invoice payments, post accounting is cumbersome and time-consuming

B2B payment automation helps businesses by getting rid of a lot of the paperwork by digitalizing purchase orders and invoices. This leads to faster verification, shorter turnaround time and less effort in generation of orders and invoices and approval of payment. Data entry processes get automated, and platforms perform analytics to facilitate supplier management, automating process workflows, account reconciliation and verification.

However, In India, B2B payments are a bigger market and solution stickiness is higher as enterprises have higher switching costs

B2B and B2C Payment Landscape Comparison
Illustrative

	B2B Payment	B2C Payment
Market Size (In FY22)	7.6-8 USD Tn[1] in FY 22 is expected to grow to 10-11 USD Tn by FY26 at 8% CAGR	1.5 USD Tn[2] in FY 22 is expected to grow to ~3 USD Tn by FY26 at 19% CAGR
Average price of goods and order quantity	Larger as bulk orders are made by businesses	Smaller ticket sizes as compared to enterprises
Terms of purchase	Payments are made post the delivery of goods and services and as per days payable terms mentioned in the purchase order	Payments are made at the point of sale
Time of settlement	Settled over a time period as it requires account reconciliation at both ends	Lesser and generally received the same day
Stickiness	Higher stickiness due to greater cost of switching between payment platforms	Less stickiness due to availability of multiple modes and players and zero cost of switching
Decision making process	Takes longer time as it involves approval from various business departments	Faster as it involves only the customer
Key digital payment modes	Commercial cards, NEFT, RTGS	UPI, Credit card, Mobile Wallet, NEFT

Source(s): RedSeer Analysis, NPCI
Note(s): 1. B2B includes Cash and cheque, RTGS, NEFT and Commercial cards for both domestic and cross-border payments; 2. B2C here includes UPI and NACH taken from NPCI platform

While B2C payments are simpler and intuitive in nature, B2B payments are a much larger market, usually a multiple of the country's GDP. A retail customer has many modes of payment at their disposal. The cost of switching from one payment mode to another is minimal, almost zero. Enterprises on the other hand have greater stickiness as adoption of a payment solution or ERP requires adoption from various departments and change in processes to shift to digital vendor payments.

Globally, B2B payments amount to approximately USD 130-135 trillion (1.5 times of world GDP) and are expected to increase at 6% CAGR over the next 5 years

Source(s): RedSeer Estimates, World Bank.
Note: ACH: Automated Clearing House, Global benchmarks are in CY and not FY
1. Other includes payment gateway, wire transfers, etc.

As per RedSeer estimates, global B2B payments are expected to grow from USD130-135 trillion in 2021 to USD 165-170 trillion in 2025. Cross border transactions are expected to account for approximately 16% of total B2B transactions (by value) in 2025. Even now as economies are evolving digitally, approximately 51% of payments rely on cash and cheque, while card occupies only 3% as per RedSeer estimates. As companies digitize their payments, it is expected that cash and cheque component will decrease to 46% of the domestic B2B payments and the digital payment modes (ACH, cards, etc.) share will increase.

According to RedSeer, the total global TPV for B2B payments, excluding cross-border, grew from about USD 101 trillion in 2018 to USD 114 trillion in 2021 and is expected to grow to approximately USD 142 trillion in 2025, which would represent a CAGR of 5.7% from 2020.

As per RedSeer estimates, it is expected that cards will be increasingly adopted as payment infrastructure increases and businesses adopt commercial credit cards for B2B payments rather than employee driven travel and entertainment expenses.

B2B payment market in India and GCC countries amount to approximately USD 12 trillion in 2021 and is expected to become approximately USD 17 trillion market by 2025

Source(s): RedSeer Estimates, World Bank.
Note: GCC consists of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates

In 2021, India and GCC countries constitute 9% of the global B2B payments market and provides a huge market opportunity for B2B payment players. According to RedSeer, it is expected that the B2B payments market across these two geographies will grow to around USD17 trillion by 2025. Demonetization, government push for digitization and technological adoption are the key drivers for India's B2B payments growth. Similarly, GCC countries are also trying to boost their B2B payments system by establishing a Gulf payments company to facilitate cross-border payments. RedSeer estimates that launch of regulatory sandbox to promote fintech, artificial intelligence /machine-learning adoption will further boost the digital B2B payments across the GCC countries. A testament to GCC's commitment is witnessed by each country having its regulatory sandbox framework to foster innovation, test for consumer safety and regulate delivery applications

- Bahrain – The Central Bank of Bahrain has set out a framework for regulatory sandbox which provides a virtual space for firms to test innovative technological financial services solutions up to 9 months with an extension of 3 months.

- Kuwait – The Central Bank of Kuwait encourages companies and individuals providing innovative fintech solutions to participate in the regulatory sandbox framework to test methodology, which includes four stages to be completed within a year.

- Oman – The Central Bank of Oman has launched regulatory sandbox framework which is expected to grant certain regulatory exemptions that have fintech applications to test on volunteer customers.

- Qatar – The Qatar Fintech Hub has been established to explore and test ideas into practical solutions. It includes three programs – Incubator, Accelerator and Hackathons

- Saudi Arabia – The Saudi Arabian Monetary Authority (SAMA) has established a regulatory sandbox framework to welcome local and international fintech business that aim to deliver new financial services; the regulatory sandbox is also in line with Saudi Arabia's Vision 2030 to reinforce economic growth and investment.

- United Arab Emirates: The Abu Dhabi Global Market developed its regulatory sandbox – ADGM RegLab to develop innovative fintech products with a relaxed regulatory and cost-effective environment.

According to RedSeer, global commercial payments volume was estimated at approximately USD 130-135 trillion in 2021. RedSeer estimates that India has approximately USD 8 trillion of the global commercial payments volume, CEMEA, approximately USD 10 trillion and Asia-Pacific estimated at approximately USD 58 trillion.

In India, B2B payments account for approximately USD 8 trillion (around 2.4 times of India's GDP) which is still majorly reliant on cash and cheque

Cash and cheque remain dominant modes of B2B payments, accounting for 50-60% payments today. Due to demonetization, GST and Covid-19 disruptions and with the advent of new age fintech solutions, the share of cash and cheque is expected to go down to 45-50% in the next 5 years

Source(s): RedSeer Estimates, RBI

India's B2B payments market is poised to grow from USD 7.6-8.0 trillion in Fiscal 2022 to USD 10-11 trillion in Fiscal 2026 as per RedSeer Estimates. In Fiscal 2022, cross-border payments contributed to 5% of the total B2B payments. In line with the global trends, India's B2B transactions involve most cash and cheque contributing to 55% of domestic B2B payments in Fiscal 2022. According to RedSeer, it is expected that domestic B2B payments in India will increase from USD7.5-7.8 trillion in Fiscal 2022 to USD 9-10 trillion in Fiscal 2026 with commercial credit cards increasing their share to 0.6% in Fiscal 2026.

According to RedSeer, the total TPV for B2B online payments (including cross border) in India was ₹560 trillion (approximately USD 8 trillion) for Fiscal 2019, ₹490 trillion (approximately USD 7 trillion) for Fiscal 2021, and is expected to grow to ₹735 trillion (approximately USD 10-11 trillion) by Fiscal 2026, representing a CAGR of 8% between Fiscals 2021 and 2026.[1]

While commercial credit cards only occupy approximately 0.26% of the B2B payment market, they have a huge addressable market size of approximately USD 500 billion as of Fiscal 2022

Source(s): RedSeer Analysis, RBI, MCA, MSME Annual Report, Corporate data as of February 28, 2022.
1. Formalized is defined as MSME registered under UAM

The entire business landscape of India comprises 64.8 million enterprises (including MSMEs). Most of the corporates are formalized, yet formalization levels remain low among MSMEs. Our addressable enterprises are formal enterprises. There are 1.4 million corporates and over 8.4 million enterprises with Udyam registration as of April 2022. Formalized MSMEs and corporates are the target customers for commercial credit card offerings. These enterprises are increasingly shifting to digital modes of payments accelerated by disruptive events like demonetization, the implementation of the GST system and COVID-19. As per RedSeer Estimates, corporates and formalized SMEs form about USD 3.2-3.8 trillion in digital B2B payment value, with corporates forming the majority of B2B payment value. According to RedSeer estimates, it is expected that 15% of these transactions i.e., around USD 0.5 trillion) can be the total addressable market for commercial credit cards. At present, commercial credit card adoption is significantly low in India.

[1] USD 1 = ₹70

Tax payments made by corporates in India give rise to approximately USD 248 billion of payments opportunity and are increasingly digitalized, accelerated by a government push

Source(s): IndiaBudget, gst.gov.in.

Another payment type which is rapidly digitizing is tax payments. As per India Budget and GST.GOV.IN, GST and Direct corporate tax collection in Fiscal 2022 was approximately USD 248 billion. In March 2022, GST collection stood at approximately USD 15 billion as compared to approximately USD 13 billion collections in March 2021.

With the advent of GST and government bodies accepting digital payments, the tax payment segment presents a significant opportunity for B2B payment providers to integrate with the respective portal and enable digital payments. This is expected to assist organizations in automating a variety of manual operations as well as initiating payment transactions.

PayMate was one of the first B2B payments players to offer GST payments using commercial credit cards as a payment instrument on its platform.

B2B utility payments are an approximately USD 80 billion market in Fiscal 2022

Source(s): RedSeer Estimates

The utility bills majorly are of 4 types, namely landline and mobile bills, electricity bills, water bills and broadband bills.

Electricity and landline bills form 80-85% of the market. Traditionally these utility bills were generally paid in cash or cheque at their respective offices or over the counter. To encourage digital adoption, in Nov 2014, RBI mandated Bharat Bill Payment System (BBPS), which was launched to offer integrated and interoperable payment services to customers. This indicates that the B2B utility bill payments provide a great opportunity for B2B payment providers in India.

By providing utility bill payment services, businesses can make payments via their commercial credit card or other digital modes. The commercial credit card payments would enable them to increase their account payable days and utilize that capital.

As per RedSeer estimates, the overall B2B utility payments market is USD 80 billion in Fiscal 2022. In Fiscal 2022, 62% of B2B utility payments were online.

In India, various factors are enabling the acceleration of digital B2B payments - *both domestic and cross-border*

Source(s): RedSeer Analysis

According to RedSeer, it is expected that digital B2B payments are going to grow at a rapid pace due to various factors. Currently, digital solutions are rising for account receivables and account payables, commercial credit cards, process workflow automation and so on. Robotic process automation (RPAs) and cloud-based software applications are the enablers of these automation processes. These would enable the payments processes to get much faster and more automated which reduces the risks of any manual errors and cost reduction. Furthermore, with the use of AI/ML alternate credit models are being created that would enable players to score the enterprises even when only short-term transaction details are available. These technological adoptions are expected to facilitate the growth of B2B payments.

Apart from technological advancement, demonetization and COVID-19 have induced growth in the use of digital modes of payment. Businesses have become more focused on improving workflows and technologies to process B2B payments and become digital.

The government has launched several digital initiatives along with a flagship program – Digital India. The range of initiatives encompasses weather-monitoring systems, women's safety apps, DigiLocker and many more.

According to RedSeer, B2B payment providers are looking into new avenues to expand their service line. Tax and utility payments provide a huge scope for these players to scale their businesses. The merits of these offerings are that enterprises would be able to use a single platform for making various types of payments and save their time and costs.

Cross-border payments refer to payments between payees and recipients who are both located in different countries. The cross-border payments theme has been launched under the second cohort of the Regulatory Sandbox by the RBI, which refers to live testing of new products or services in a controlled/test regulatory environment for which regulators may permit certain relaxations for the limited purpose of the testing. Furthermore, new partnerships are coming up to boost cross-border transactions. For example, LuLu Financial Holding and NPCI partnered to offer real-time remittances.

In CEMEA, the GCC region is an attractive approximately USD 4 trillion B2B Payment market, with regulators enabling the rise of digital payments and fintech

Source(s): RedSeer Estimates. GCC consists of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates

Among the GCC countries, Saudi Arabia and UAE are the two largest economies with around 75% contribution to the region's GDP. This FinxAR index, also known as the Index of Modern Financial Technologies, was launched by the Arab Monetary Fund to identify the efforts of Arab countries in enabling and promoting fintech adoption. The policies and legislation of these countries are key pillars of the index. The UAE leads the FinxAR index in the Arab countries with a score of 75%, followed by Saudi Arabia and Bahrain with scores of 65% and 64%, respectively.

According to RedSeer, the Gulf Cooperation Council region is an attractive B2B payment market with market size of approximately USD 4 trillion in 2020. It is expected to reach USD 5-6 trillion by 2025.

LARGE OPPORTUNITY TO DIGITIZE B2B PAYMENTS

B2B Fintech players are expanding to increase engagement and drive monetization just like C2B players, who are becoming consumer super-apps today

B2B payment players are moving towards becoming full-stack service providers. This trajectory of product expansion is similar to retail payment fintech players, some of whom today offer a gambit of services – from payments to WealthTech for a retail consumer

B2B payments										
	Core Offering				Adjacent Offering					
Product Offerings	AR/AP	Payment through Commercial cards	Automation solutions	Invoice Discounting	Utility Payments	Tax Payment	Working Capital	Auto-NACH	Cross-border payments	Virtual Card
Current (2020)										
Future (2025)										

Retail (C2B) Payments							
	Core Offering	Adjacent Product Offering					
Product Offerings	UPI & Wallet	Payment Gateway	Ecommerce	Insurtech	Retail lending	Merchant lending	Wealthtech
Past (2016)							
Current (2020)							

Source(s): RedSeer Analysis, RBI

Initially, the retail payment players offered UPI and wallet, e-commerce, and payment gateway facilities for their customers. However, with time their product portfolio expanded as they saw increasing traction for various adjacent offerings. This evolution in product offerings came as customers sought more convenience to use a single platform for various solutions than using multiple platforms.

Similarly, B2B fintech players would follow a similar trend as retail payment (B2C) companies. Currently, most B2B fintech players are in their initial stage with product offerings like AR/AP, enterprise automation solutions, invoice discounting and payments through commercial credit cards to facilitate digital B2B and tax payments. However, with technological advancement and rapidly growing businesses - businesses too will seek payment convenience to be able to make multiple payments across use-cases through a single interface. Gradually, these players will evolve to become full-stack service providers and will offer end-to-end payment solutions along with value-added offerings like working capital Auto-NACH cross-border payments and invoice discounting to drive customer engagement and experience and open avenues for monetization.

Digital B2B payment solutions are transforming manually intensive, complicated payment flows in enterprises

Source(s): RedSeer Analysis

For a long time, businesses have relied on paper-based payments such as cash and cheque. Even front-runners of digital payments adopters, large corporations employed legacy enterprise systems which seldom offered end-to-end automation. Traditional B2B enterprise payment system offerings (legacy systems) are either wholly manual, or some part of the payment process is automated. They require businesses to buy and maintain IT infrastructure and systems leading to operational inefficiency and increasing costs to maintain. For this report, RedSeer has elaborated on cheque payments, but enterprises also use net banking, RTGS, and NEFT as payment modes.

B2B payments made by paper-based instruments (cheques) involve the following steps:

1. After the buyer receives the invoice and approvals have been taken from various departments the payment process begins

2. As a cheque is a paper-based instrument, in most businesses the accounting is manual. The team needs to deposit cheques in the bank and await 3-4 working days of settlement

3. The accounting team then cheque deposit and make manual entries of receipt and reconcile accounts

The advent of cloud-based solutions, particularly SaaS solutions has brought a significant change in how enterprises view and use IT infrastructure. Cloud-based B2B payment systems are more cost-effective, easier to maintain and seamlessly integrate with underlying ERP and automate process flows end-to-end. Moreover, SaaS solutions have the agility to be scalable and suit the needs of a fast-changing business and technological environment. SaaS solutions are disrupting the payment ecosystem and workflows among enterprises from manually intensive payment to complete automation which also provides dashboarding and insights into capital management.

Owing to the benefits of interoperability and affordability of cloud solutions globally and in India, according to RedSeer, there is a shift from paper to paperless mode of payments not just in the vendor-distributor network but also for other payments such as employee benefits, tax payments and utility payments.

Automation solutions have brought about disruption and are changing cumbersome, time and labor-intensive reconciliation, auditing and accounting processes to seamless workflows that are real-time and error-free.

Integrated, transparent and accurate digital B2B payment solutions benefit the entire business ecosystem

Source(s): RedSeer Analysis

Digital B2B payment solutions benefit all stakeholders involved in the ecosystem, including the buyers, banks, suppliers and the government.

Buyers can automate manual tasks such as generating invoices, account reconciliation, approval workflows across departments and initiating payments. Automating payment flows also enables platforms to capture payments made through various departments for different use-cases. Platforms provide analytics leveraging technologies such as big data, artificial intelligence, and machine learning to provide actionable insights. Digital B2B payment platforms also help schedule and manage timely payments, which leads to a reduction in their payment defaults.

Globally, commercial cards are growing quickly – with commercial credit cards forming the majority of the market

Source(s): RedSeer Estimates
*Note: *Prepaid Cards and Others include gifting cards and forex cards*

One of the versatile modes of digital B2B payments is commercial cards. Commercial cards can be classified into various categories:

- Commercial credit cards – Generally used for travel and entertainment purchases by the employees. Another variant of commercial credit cards is purchase cards. Purchase cards are usually given to a specific department to make big-ticket procurement purchases.
- Pre-funded cards - These cards are generally given to business owners and are linked to a bank account. The transaction value is deducted from the account balances rather than added to the enterprise's debt.
- Global forex cards - A forex card is a safe and easy way to transact in foreign currency while traveling.
- Prepaid cards - These commercial credit cards allow businesses to load money onto the cards. These purchases mostly pertain to travel and entertainment purposes.
- Corporate gift cards - They are pre-loaded cards powered by switching networks to accept payment across a wide range of merchants. Typically, businesses use them for reward and recognition programs.

As per RedSeer estimates, the global commercial card market is dominated by commercial credit cards and is slated to reach around USD 5 trillion by 2025.

Commercial credit card forms around 0.26% of the total B2B Payments market in India

Source(s): RedSeer Estimates, RBI.

The commercial credit card market in India is still evolving. At present, the typical use cases are for travel and entertainment purposes. Purchase cards are widely used across large corporations for procurement purchases. However, due to a lack of conducive growth in payment acceptance infrastructure in the business landscape, commercial credit cards are not widely used as a payment mode for digital transactions. Commercial credit card usage is largely coupled with the availability of a vendor accepting card payments. However, the landscape is changing with innovative B2B digital payment platforms in facilitating the issuance of cards and solutions that help businesses use commercial credit cards to transact with non-card accepting vendors.

The commercial credit card market was USD20 billion in Fiscal 2022 and is expected to grow at a CAGR of 30% to become a USD58-60 billion market in Fiscal 2026, as per RedSeer estimates. In Fiscal 2022, the commercial

credit cards constituted around 0.26% of the total domestic B2B payments market in India, which according to RedSeer is expected to grow to capture 0.6% market share by Fiscal 2026.

India has a lot of headroom to grow as it is an underpenetrated commercial credit card market and retail credit card market

Cards as a market is highly underpenetrated in India, both in retail (credit card) as well as commercial (all card types) use case

Source(s): RedSeer Analysis, BIS, US Census
Note:
1. *Businesses are defined as medium (more than 100-499 employees for the USA, 20-100 employees for India, and large greater than 500 employees for the USA, greater than 100 employees for India)*
2. *Represent figure in India in 2019*
3. *Represent figure in India in Fiscal 2022*

While the cards segment is growing at 20% CAGR due to the increasing popularity of cards, there are only 0.05 card per capita in India as compared to the USA which has approximately 3 cards per person.

For the commercial credit card enterprise adoption analysis, only medium and large enterprises have been considered as they are the major adopters of commercial credit cards. Even in the commercial credit card segment for medium and large businesses, India has only 30 cards/business as opposed to 1900 for the USA, as of 2018. This under-penetration can be attributed to the lack of payment acceptance infrastructure and payment solutions to streamline B2B solutions.

Similarly, in the CEMEA region, the perception is that commercial credit card use is only for travel, entertainment, and fuel-related expenses or simply as an emergency payment tool. Outside of these three expense categories, the region sees cards capturing less than a fifth of total expenses.

According to a Visa study, in Saudi Arabia, tax, government payments, insurance, utilities, and stock/inventory account for 40% of total monthly expenses of Saudi companies but cards capture no more than 10% of total expenditure in any of these categories.

Another barrier to commercial credit cards is acceptance. According to a Visa study, four in five companies in the UAE report that less than half of their suppliers accept cards.

A conventional B2B commercial credit card payment via payment gateway provides payment solutions at a point, while account reconciliation remains to be conducted by businesses

Source(s): RedSeer Analysis
Note(s): Payment processor will include payment gateway, B2B payment solution, etc.

B2B card payments involve the following steps:

- When the buyer wants to make payments against the invoices raised by the supplier, it enters its card details over the payment processor.
- The payment processor submits these details to the appropriate card network and the issuing bank to enable the transaction
- Once the issuing bank authenticates the user, the payment processor initiates the payment by asking the buyer for his card pin or one-time password.
- Post-approval of the transaction, the issuing bank charges the buyer for the amount of the transactions.

In this entire process, the account reconciliation is done by the buyer and the supplier themselves, and the buyer can make the payments to a single vendor at a time via this process. This process makes it difficult to make multiple payments to different vendors, and reconciliation is done manually, making it prone to errors.

Using a commercial credit card without an automation platform to support payments would require the card to be used at the PoS machine at each vendor payment destination. For enterprises it is cumbersome to manage these standalone payment entries and reconcile them while the authorized department makes payments in a serial manner.

Fintech platforms are tackling barriers to adoption and developing tools to integrate commercial credit card transactions

Barriers to Adoption	Product Solutions
Lack of card acceptance	**Unified Payment Platforms**
x Most suppliers don't have or had no card accepting payment infrastructure	✓ Integrated payment platforms that enable payments via cards to supplier bank accounts
Payments made through current assets	**Commercial Cards**
x Businesses make payments through cash or cash equivalents, unable to extend their days payables and have risks of fraudulent transactions	✓ Provide unsecured credit and help in making various B2B, tax payments ✓ Is a secured means of online spending ✓ Set transaction limit and timeline for payment
Manual Recurring Payments	**Integrated Tax and Utility Payment interface**
x Tax and utility payments were traditionally done via offline modes and card payments were not accepted x Online payments were made via their respective portals	✓ Integrating with government portals to ease recurring payments – tax and utility ✓ Reduces offline payments related costs and assists in tracking expenses
Expense Management	**Automated expense tracking**
x Expense tracker would provide expense details only and would require manual data interventions for approval	✓ Real time tracking also provides expense and vendor related insights ✓ Helps in controlling the budget ✓ Automate approval processes and saves time

Source(s): RedSeer Analysis

With the rise in digital solutions that offer a comprehensive product suite around commercial credit card offerings, the adoption of commercial credit cards will see accelerated growth in the coming times.

Traditionally there has been a lack of card acceptance infrastructure among the suppliers. Now, payment platforms are integrated with payment gateways that enable card payments to supplier's bank accounts. Digital payment solutions are increasingly integrated with government portals to enable seamless and one-portal interface transactions for businesses.

Commercial credit cards today are no longer restricted to T&E purchases, businesses are using commercial credit cards to make vendor, utility even government-department or tax-related payments. The major use case has come up which are single-use cards that provide more security and reduce the risks of fraudulent transactions while keeping a track of multiple card payments and reconciling them with account payables. To enable recurring payments like government tax payments and utility bills, these digital solutions are integrated with government portals to enable payments via a single platform.

Traditionally, when it came to tax payments, debit cards, NEFT, cash and cheque were more commonly used, whereas credit card payments were not an option. Even when businesses wanted to pay digitally, one had to log into various portals and make payments which were time-consuming, manually intensive and prone to errors.

With the use of analytics and machine learning algorithms, these solutions provide an extensive automated tracking of expenses. These include real-time insights, customized dashboards to track various metrics, provide vendor-related insights and help in maintaining a healthy buyer-supplier relationship. Furthermore, it has automated the process workflows which were previously manually driven.

A unified payments platform offers a seamless B2B commercial credit card payments flow, enabling payments to vendors' bank accounts directly

Source(s): RedSeer Analysis.
MDR: Merchant Discount Rate

As B2B payments require significant real-time and high-quality inter-connectedness with customer systems, the involvement of technology-based payment platforms helps businesses to get rid of the time-consuming tasks in the account payable process and smoothen their journey. These cloud-based solutions would partner with issuing banks to provide commercial credit cards, which integrate with a payment gateway to process the transaction, onboard the vendors, help negotiate the merchant discount rate ("**MDR**") and make timely payments to multiple vendors in one go. These cloud-based solutions also help in uploading the digital invoices, assisting in the verification of invoices and purchase orders, initiating, and confirming the payments made between the two parties and reconciling the accounts of the buyer. A unified solutions platform helps businesses make all kinds of payments to vendors, utility providers and government using one portal.

A unified payments platform not only facilitates end-to-end payment flows, but also helps manage working capital and overall process automation

Typical B2B Payments vis-a-vis Unified Payment Platform
Illustrative

	B2B Payment via Legacy ERP	B2B Payment with Commercial Cards	B2B Payment with Commercial cards + Unified payment platform
Invoice Processing and Reconciliation	Manually intensive process	Manually intensive process	✓ A unified payment platform automates approvals and invoice and PO matching, along with reconciliation of payments
Multiple Vendor Payments	Involves manual effort on the part of accounting teams	Multiple vendor payments are difficult as many don't accept cards	✓ A unified payment platform allows buyer to make payment directly to vendor bank account using card
Payment Mode Supported	RTGS and NEFT, Net banking	PoS, Net banking, ERP systems (if integrated)	✓ RTGS, NEFT, IMPS, Netbanking, Commercial Credit Cards and Debit Cards
Making Government Payments (GST, Direct Tax)	Tax payments need to be made and accounted for separately	GST payments on GSTN not allowed through credit cards	✓ A unified payment platform processes Credit Card transactions towards GST payments through its portal.
Charges	Transaction charges for NEFT and RTGS initiated through online modes (Net Banking, mobile banking, etc.) is Nil	1.8-2.5% of Transaction value	✓ Cards 1-2% per txns ✓ Netbanking 30 INR/txn
Value Added functionality	Depending on in-house solutions	Depends on issuing bank (mostly interest free credit period is the major benefit)	✓ Working Capital Optimization, Process and Payment Automation

Source(s): RedSeer Analysis

RedSeer has analyzed the payment process flows of B2B payments in the following scenarios:

- When enterprises make payments using typical legacy ERP systems, they need dedicated teams who manage legacy ERP systems that process, reconcile, and gather approvals for invoices raised. The ERP systems are not integrated directly with a payment system and hence they have to choose another portal for payments such as tax and utility.

- When enterprises choose to make payments using commercial credit cards, one of the major hurdles they face is that vendors or suppliers do not have the payment acceptance infrastructure to accept payments. Legacy ERP systems also may not have commercial credit card integrations. Moreover, legacy ERP systems and the GST portal do not allow payment to be made directly via a commercial credit card.

- When enterprises opt for technology service providers which support commercial credit cards, the technology service providers enable the enterprises the capability to accept commercial credit cards and provide other value-added services. The technology service platform integrates seamlessly with the enterprises' existing ERP system and provides a payment gateway system, which allows companies to use commercial credit cards to make multiple vendor payments directly into their bank accounts and to make utility and tax payments over a single portal. It provides a platform for invoice discounting for the buyer and supplier ecosystem, which helps free up working capital and optimizes ROI for the merchant.

PayMate was one of the first full-stack supply chain payments automation platforms in India for enterprises and their supply chain. Full-stack is defined as a player who offers commercial credit cards as a payment instrument, GST, direct tax and utility payments, vendor payments (accounts payables), collections (accounts receivables), automated reconciliation, and invoice discounting (early payment discounting) and invoice financing.

PayMate also offers integration with ERPs through APIs and host-to-host based SFTP integrations.

ADJACENT DIGITAL-LED OPPORTUNITIES IN B2B PAYMENTS

An invoice automation system helps achieve considerable time and effort savings in the payments process

With the help of an invoice automation system, businesses derive multiple benefits. As the system gets connected with the ERP, it automates the workflows, speeds up the approval process and reduces processing times. It also helps in (i) reducing costs arising due to manual error; and (ii) increasing the process efficiencies due to automation and account reconciliation. The major cost that gets reduced is employee costs, as there is a reduction in manual effort in areas of tedious account and invoice verification and reconciliation processes.

A value-added offering of payment automation is Invoice discounting, which solves for working capital constraints

Source(s): RedSeer Analysis

One of the digital-led adjacent opportunities for B2B digital payments is invoice discounting. Invoice discounting allows firms to use their receivables to obtain financing for any short-term needs.

When the invoice is uploaded by the supplier and accepted by the buyer, financiers start bidding as per their profitability margins. Once the supplier accepts the discount offered by the financier, the discounted amount is disbursed to the supplier. On the due date of the invoice payment, the buyer would pay the amount to the financier. In this process, the buyer is liable to make the payment to the financier. This helps businesses optimize their credit needs and meet their working capital requirements easily and quickly.

In India, online invoice discounting is a fast-growing market, expected to reach USD 180-200 billion by Fiscal 26

Source(s): RedSeer Estimates, Company Reports.
Notes
1. For this analysis, RedSeer has only considered invoice discounting undertaken by corporates and top credit rated (up to BBB) SMEs

In India, invoice discounting is undertaken through offline and online modes. In the offline mode, the buyer would raise capital from the banks or NBFCs by submitting their approved invoices (approved for the buyer) to them. The financier would then disburse the discounted amount to the buyer. In this mode, the recourse lies with the buyer who will repay the banks. The entire invoice discounting market is currently USD 93 billion and is expected to grow to USD 230-250 billion market in Fiscal 2026, as per RedSeer estimates.

According to RedSeer estimates, the size of the online invoice discounting market is expected to be USD 75 billion in Fiscal 2022, growing at a rate of 25 – 28% CAGR and expected to reach USD 180-200 billion in Fiscal 26. The online channel includes TReDS, fintech solutions and traditional banks. At present, traditional banks are the major online players accounting for approximately 95% in Fiscal 2022.

RedSeer estimates an increasing shift to online Invoice discounting, as it reflects transactions in real-time, is faster and more transparent

Comparison between Traditional and Online discounting

	Traditional – Offline Discounting	Online Discounting
Invoice Verification	The buyer must issue approval / LC for vendor to get credit from financer. It's a time-consuming process	Real time approvals from buyer
Recourse/ Credit Risk	The repayment responsibility lies with the vendor who incurs higher cost of funding. SME also face lower credit rating due to lack of information with financers	The repayment responsibility lies with buyer – lesser credit risk for financer and low cost of fund for vendor as buyer has better credit rating
Cost of funding	Vendor has restricted options	Multiple financers for vendor to optimize cost of funding Technology platforms allow for bidders to change their bids, withdraw and re-bid seamlessly. The co-ordination and payment flows are inbuilt in the integration systems
Technological Capability	Financers, buyer and supplier communication happens in silos	Real time approvals, increased transparency due to a end-to-end digital platform

Govt Initiatives have been instrumental in driving the shift from traditional to online:

- ✓ In 2014, RBI introduced TReDS to facilitate the discounting of invoices as well as bills of exchange – Invoicemart, M1xchange and RXIL were soon formed to undertake invoice discounting
- ✓ RXIL and GeM have partnered to help CPSE to finance MSME payments

Source(s): RedSeer Analysis

The online and offline invoice discounting processes have stark differences. The traditional model requires the buyer to provide approval for the vendor on the invoices raised to get financing from the financiers and the recourse lies with the supplier. Furthermore, due to the unavailability of their credit history, their cost of funding is higher. Furthermore, they have limited financiers available as not everyone is willing to provide them with credit.

These challenges are addressed in online invoice discounting platforms where the approvals happen in real-time, recourse lies with the buyers and the cost of funding for vendors decreases due to a better and strong credit history of buyers. Thus, the real-time transactions, faster approvals and transparent processes place the online invoice discounting model on a growth trajectory in future. Government initiatives like the launching of TReDS platforms in 2014 for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings ("**PSUs**") and GeM ("**Government e-Marketplace**") RXIL partnering up to enable CPSEs, PSUs, and government departments to finance their payments to MSMEs will further support the growth of online invoice discounting platforms.

Payment automation platforms have an edge over typical digital lenders – *existing customer base and payment transaction history*

For an MSME to get loans from digital lenders, the journey of a customer across various offerings involves an online application to be made by them, furnishing data about the founding company, financials, and basic documentation at the time of registration. Alternative credit scoring systems, in addition to traditional bank statements and credit bureau ratings, are used by digital enterprises to underwrite loans. Loan servicing and tenure, as well as prepayment options, are all customizable.

Due to the existing customer base and payments-based lending model, Payment automation technology providers have innate advantages. The customer acquisition costs are lower as the enterprises and their suppliers are already onboarded on the platform which helps them in keeping track of their transaction details. Through their alternated credit rating model that works on the transaction details and bank statements, they can build strong and swift credit rating mechanisms for these enterprises and service them with loan offerings

Digital lending is ripe for growth as businesses are digitizing, translating to approximately USD 45 billion opportunity in Fiscal 2022

Source(s): RedSeer Estimates

While MSME and merchants form a universe of 90 million, formalization levels are low which makes access to formal credit tough. However, MSMEs and merchants are rapidly digitizing with 54 million digitally enabled merchants in Fiscal 2022. For the digital lenders, these merchants and MSMEs without formal credit access and with banking history are the target customers. The addressable market of MSMEs and merchants with banking and credit history is pegged to around 20 million as per RedSeer estimates.

The payment-backed lending market is USD 40-45 billion in Fiscal 2022 and is set to grow at 18% CAGR to reach USD 80-85 billion by Fiscal 2026. Payment-based lenders are at lower credit default risk as they are aware of payment patterns and the volume of transactions of the merchants and MSMEs. With the economy picking up, merchant lending is bound to pick up as the demand increases.

The digital lending market offers a variety of tenure options, as well as support for various merchants and low effective interest rates. Despite being unsecured, payment-based financing is backed by real cash flows, making underwriting easier in the absence of a traditional credit score or collateral.

Cross-border payments which are conventionally undertaken through banks

Source(s): RedSeer Analysis

Cross-border payments can be done between various parties. The P2P transfer is called remittance where the individual sends money to another individual in a different nation. B2C/C2B payments involve businesses and individuals where the payments could be in the form of salary, subscription fees, refunds, etc. between the two parties.

The focus of the study is B2B cross-border payments which involve buyer-supplier relationships. In this, the buyer makes payments for the goods or services procured by the supplier.

The cross-border B2B payments process is complex and involves the following steps:

- Business A making payments initiate the money transfer through a payment system and processing bank. The central bank will accept the forex transfer request for the amount to be transferred.
- Details of the recipient are fed into the payment system which is a payment gateway that acts as the switch between the various entities in the payment network, allowing funds to be securely passed between the customer, merchant, and the banks. The payment system initiates the transaction with the help of a bank that has a branch or a partner bank in the receiver's nation.
- The funds will then leave the buyer's bank and reach that bank's counterpart present in the merchant country, ready for remittance. Then the remittance is transferred to the merchant's bank for settlement via the payment system.
- The fee structure generally involves transfer fees and currency conversion fees. Transfer fees are the processing fees incurred for the transaction value. It generally consists of a fixed and variable fees component. Currency conversion fees are the rates charged by the banks to deposit the amount into the receiver's currency.

In India, Cross border B2B payments is approximately USD 430-440 billion market, with fintech having the advantage of lower transfer fees

Cross Border Payment – Banks versus B2B Fintech Solutions

	Traditional Banks	B2B Fintech Solutions
Speed	Happen through a network of correspondent banks leading to increased time	Advanced technology facilitates quicker transfer
Cost of transfer	Involvement of multiple financial institutions lead to increased costs	Multiple costs are eradicated providing better exchange rates
Transparency	Lack of transparency about the payments	Provide details and insights of each stage of payment
Fraud and data security	Legacy systems are not competent to eliminate fraud and security risks	Have advanced security features to eliminate fraud and data security threats

Source(s): RedSeer Estimates
**Some players also charge fixed fee/transaction*

As per RedSeer estimates, the cross-border B2B payments market in India will increase from USD 430-440 billion in Fiscal 2022 to USD 800-820 billion in Fiscal 2026. Several drivers have boosted this growth. The connectivity between enterprises has improved significantly, and the supply chain is increasingly becoming global. As businesses transcend boundaries- cross-border transactions will gain traction. Fintech solutions can provide lower transfer fees as compared to banks and real-time transaction updates.

The global payments infrastructure has evolved and is developing at a greater pace for the smooth flow of funds with lesser hassles for the customers. Moreover, the availability of new cloud-based software tools is enabling businesses to go more digital and enable them to make faster decisions cost-effectively.

COMPETITIVE LANDSCAPE AND POSITIONING OF DIGITAL B2B PAYMENTS SPACE

B2B Payments are diverse, with players offering solutions for various business transaction needs

Source(s): RedSeer Analysis

Traditionally, B2B payment solutions were largely offered by banks. As our economy grows, business needs and technological advancements keep evolving. This is a huge market opportunity that has led to multiple players coming up and catering to a wide range of business transactions. These players include - traditional banks which are increasingly foraying into payment automation offering multiple products on their platforms. Neo-banks are branchless banks which provide digital banking solutions to enterprises. Full-stack solution providers are cloud solutions which help in digitizing the entire purchase and payment processes and enable enterprises to make real-time payments and get credit for their receivables and payables.

Payment intermediaries which facilitate digital payments via their technology and integrated solutions. Digital lending players have come up which provide working capital to the enterprise to meet their credit needs and enable their growth and expansion. AR/AP management solutions help in optimizing the payments and provide seamless integration and reconciliation of the transactions.

A unified payments platform, apart from automating payments, optimizes workflows across value-chain

Source(s): RedSeer Analysis

Businesses need to make multiple payments to different stakeholders ranging from individuals (employees), government bodies (taxes) and other businesses (vendor/utility). Each payment flow and transaction frequency have its own nuances and periodicity. To cater to all kinds of payments businesses use various digital solutions/portals to automate their payments and ease accounting efforts in reconciliation and tracking expenses.

Using multiple payment portals requires teams to manage their outputs, set them in industry format to consolidate and finally report or perform analytics to gain spend specific insights. As automation increases, it becomes tougher for portals to automatically synchronize to manage multiple document matching and authentication. While multiple portals have their advantages downtime of one may not necessarily affect others. Upgradation doesn't need to run serially or affect multiple departments.

In the case of a single portal deployed, it largely depends on the product functionalities of the portal, where it may automate only a part of the value chain. The sweet spot here lies with unified payment platforms which provide end-to-end automation with 3-way document matching, workflow optimization and value-added services built on top of them. Such portals are generally industry, and bank agnostic and can support most payment modes.

Fintech and banks can mutually benefit by partnering, leveraging each other's strengths, and accelerating digital B2B payments

Source(s): RedSeer Analysis

Fintech players demonstrate technical expertise to automate and optimize payment flow for businesses. While technical expertise is of paramount importance to employ automation - banks are equally important stakeholders in the B2B payment ecosystem.

Fintech-bank partnerships can pave the "right to win" in this market. Both fintech and banks have their own strengths which can be leveraged to achieve digitized business payments to all - individuals, government, and other businesses.

Banks benefit from fintech in form of access to a larger addressable market, meeting Priority Sector lending targets, faster approvals, and technical expertise which helps banks quickly move from legacy to new-age digital payment flows. In turn, fintech players are greatly benefitted from banks huge loan books which can be leveraged to attain faster growth, more businesses and scale rapidly. Banks also have strong customer relationships and stable clientele which can help arrest customer churn for fintech players.

Al partnership between fintech and banks will benefit the entire ecosystem of payments and product development.

Commercial credit cards help businesses optimize their working capital, provide unsecured credit, and extend payables periods. Automation solutions help optimize workflows, they help reduce time and effort to process invoices, gather approvals and reduce errors which helps reduce delays and track payments in real-time.

The right to win in the B2B payment space in India requires a combination of payment automation solutions along with working capital optimization solutions like commercial credit cards and invoice discounting as historically MSMEs have experienced insufficient access to credit.

In addition to partnering with banks, B2B payment platforms can consider partnering with NBFCs too and leverage technology for providing credit to businesses efficiently.

PayMate leads in total processing volumes using commercial credit cards across B2B payment players in India

PayMate was the largest B2B payments player and one of the fastest-growing providers of on-line, card-based payment-processing services in India, in terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards.

As the economy bounced back along with the rise in digital adoption, for the nine months ending December 31, 2021; PayMate has achieved market leadership with a market share of 70-75% when compared to the TPV processed using commercial credit cards across leading B2B payments platforms in India.

PayMate has developed partnerships with banks and financial institutions like SBI Cards and Payment Services, ICICI Bank Ltd and a leading private bank in India that account for 50% of all credit cards issued in India in Fiscal 2021.

PayMate is a leading B2B payments and services provider that digitizes, automates and streamlines B2B payments in supply chains. PayMate is a pioneer in the digital technology-based B2B payment services market.

PayMate offers enterprises a variety of avenues to automate and digitize B2B payments. PayMate provides support and integration for use-cases such as tax, utility and vendor payments. In addition, PayMate also helps businesses optimize working capital by providing an invoice-discounting marketplace. Given PayMate's wide suite offerings to enterprises such as payment automation and dashboard support, PayMate drives superior engagement with businesses compared to other peers.

PayMate was one of the first full-stack supply chain payments automation platforms in India for enterprises and their supply chain. Full-stack is defined as a player who offers commercial credit cards as a payment instrument, GST, direct tax and utility payments, vendor payments (accounts payables), collections (accounts receivables), automated reconciliation, and invoice discounting (early payment discounting) and invoice financing.

PayMate also offers integration with ERPs through APIs and host-to-host based SFTP integrations.

OUR BUSINESS

*The industry related information contained in this section is derived or extracted from the report titled "Opportunities in B2B Payments in India" dated May 16, 2022 prepared by RedSeer Management Consulting Private Limited ("**RedSeer**", and such report, the "**RedSeer Report**"), and commissioned and paid for by our Company only for the purposes of confirming our understanding of the industry we operate in, in connection with the Offer. Forecasts, estimates, predictions, and other forward-looking statements contained in the RedSeer Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. We have included certain non-GAAP financial measures and other performance indicators relating to our financial performance and business in this Draft Red Herring Prospectus, each of which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or U.S. GAAP. Such measures and indicators are not defined under Ind AS, IFRS or U.S. GAAP, and therefore, should not be viewed as substitutes for performance, liquidity or profitability measures under Ind AS, IFRS or U.S. GAAP. In addition, such measures and indicators are not standardized terms and hence a direct comparison of these measures and indicators between companies may not be possible. Other companies may calculate these measures and indicators differently from us, limiting their usefulness as a comparative measure. Although such measures and indicators are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.*

Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year refers to such information for the relevant calendar year. In this section, unless the context requires otherwise, references to "we", "us", "our" and similar terms are to PayMate India Limited, on a consolidated basis.

Unless otherwise stated, all financial information of our Company used in this section has been derived from our Restated Financial Statements.

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. Bidders should read "Forward-Looking Statements" on page 24 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations" beginning on pages 26, 214 and 278, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Overview

Our Company

We are a leading[1] B2B payments and services provider that digitizes, automates and streamlines business to business ("**B2B**") payments in supply chains. *(Source: RedSeer Report)*

We are a pioneer in the digital technology-based B2B payment services market. (*Source: RedSeer Report)* We seek to improve the B2B supply chain payments process through the use of our platform across the entire value chain, which includes customers who have entered into contracts with us, registered with us or downloaded our application for usage of service offerings on our ecosystem, platforms or mobile application (the "**Customers**"), users who have made or received payments using our platform for payments without any contracts or registration with us or downloaded our application (the "**Users**") and financial institution partners that provide corporate credit cards and other financial products to our Customers to make payments to the vendors, suppliers, dealers and distributors of such Customers and receive payments from the buyers of such Customers.

Our platform is an integrated platform which includes multiple payment categories including vendor payments, statutory and utility payments, providing a "fully-integrated" B2B payments stack to our Customers. The strength of the platform lies in its ability to integrate with multiple clients across their payment services spectrum. Our

[1] In terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)*

platform has been adopted by 480 enterprises which subscribed to the enterprise plan on our platform ("**Enterprise Customers**") such as Customer A, Crompton Greaves Consumer Electricals Limited, Kansai Nerolac Paints Limited, SBI Cards and Payment Services Limited and Jay Bharat Maruti Limited to receive payments from their buyers, dealers and distributors. We expect that this will lead to increased usage of our services and offerings by such vendors, suppliers, buyers, dealers and distributors. Our platform also enables our Customers and their vendors, suppliers, buyers, dealers and distributors to make statutory payments of direct taxes and GST and utility payments using commercial credit cards.

As on December 31, 2021, we had 49,953 Customers, of which 480 were Enterprise Customers and 49,473 were small and medium enterprises which subscribed for basic plan on our platform ("**SME Customers**"). We had a TPV of ₹77,731.45 million in December 2021 and an average monthly TPV of ₹17,525.57 million, ₹16,470.35 million, ₹18,451.61 million and ₹53,778.34 million in Fiscals 2019, 2020, 2021 and the nine months ended December 31, 2021, respectively. We were the largest B2B payments player and one of the fastest growing providers of on-line, card-based payment-processing services in India, in terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. (*Source: RedSeer Report)*

Our total TPV has grown from ₹210,306.89 million in Fiscal 2019 to ₹221,419.31 million in Fiscal 2021 and further to ₹484,005.06 million in the nine months ended December 31, 2021, and our card-processing TPV has grown from ₹117,407,61 million in Fiscal 2019 to ₹187,142.31 million in Fiscal 2021 and further to ₹464,766.45 million in the nine months ended December 31, 2021. During the same period our revenues increased by 47.72% from ₹2,358.50 million in Fiscal 2019 to ₹3,484.00 million in Fiscal 2021, and further increased by 142.09% to ₹8,434.38 million in the nine months ended December 31, 2021.

From the end of Fiscal 2019 to December 31, 2021, we added 49,618 Customers on to our platform, of which 391 were new Enterprise Customers and 49,227 were new SME Customers as compared to the numbers of our Enterprise Customers and SME Customers as on March 31, 2019. For more details, see *"– Our key metrics.*"

Our Platform

We commenced operations in the calendar year 2006 and have transformed from being consumer facing into a B2B payments platform. As B2B payments require real-time and high-quality inter-connectedness with customer systems (*Source: RedSeer Report*), since 2009, we partnered with key stakeholders in the value chain, including financial institutions and a card network provider, to connect with stakeholders in the ecosystem and to enable automation of account payables and receivables for businesses.

Our online platform is differentiated by its integration with the Customer's ERP/IT systems for automating payables and receivables on one hand, our processing services which include evaluation and acceptance of card numbers, and detection of fraudulent transactions on the other hand. Our platform provides upgrade from traditional paper-based workflows to software-driven workloads with digital payment streams like digital invoicing and several complementary features. These features enable payments automation and reduce time periods for payment processing. A feature of our platform is that it enables use of commercial credit cards as the payment instrument. The integration of using commercial credit cards as a payment instrument enables instant reconciliation and fraud detection by providing detailed reports for every transaction processed on our platform.

Our in-house developed platform is a full stack payments and credit engine that encompasses the entirety of the applications and processes required in the front end and the back end for the platform to operate. Our platform encompasses the following key features:

PayMate offers B2B solutions with its full stack unified payments platform for Enterprise and SME Customers within its ecosystem

Payments and credit engine – Our platform drives monetization through both its front end and its back end. At the front end, our online web enabled platform provides Customers with an interface for their supply chain payments, GST and direct tax payments and utility bill payments. At the back end, our platform integrates with enterprise ERP solutions to automate the process of payment and receipt of account payables and receivables, respectively. Our platform includes integrated modules that cover "Procure to Pay Automation", "Invoice Discounting" and "Credit Engine", see "– *Our Ecosystem – Account Receivables – Add on Modules*" for further details. We have also launched the PayMate mobile application ("**PayMate App**") on the iOS and Android operating systems, which provides features of our platform through mobile devices extending the reach of our platform. Through our PayMate App, businesses can make payments to their vendors' bank accounts using their commercial credit cards. Businesses can also use our PayMate App with the existing credit limit on their commercial credit cards to make required payments in an easy, secure and timely manner. Since we launched our PayMate App in June 2020, the platform reach of our PayMate App has increased significantly from 34,266 downloads and registration of 3,221 Customers as on March 31, 2021 to 113,946 downloads and registration of 47,203 Customers as on December 31, 2021.

Differentiated solutions for B2B payments – Our platform provides an interface to simplify the payments and collection process for our Customers. Our online payments platform integrates Customers and their suppliers, vendors, buyers, dealers and distributors, with our financial institution partners to digitize the entire payment cycle from invoice generation to credit checks to payments. We have a feature-packed platform for vendor payments automation coupled with commercial credit card enablement for facilitating payments. These features provide commercial advantages to our Customers and Users in managing working capital cycles, cash flows, timely payments and accounts reconciliation. By using our platform, our Customers do not need to switch across legacy bank platforms to manage their payments. We have integrated statutory payments of direct taxes and GST and utility payments with use of commercial credit cards to help manage our Customers' cash flows.

Further, we are in the process of launching an invoice discounting feature, wherein our Customers and Users may offer discount on payable invoices in return for early invoice payments. The invoice discounting process is summarized as follow:

To assist our Customers and Users to derive and evaluate an optimal discount rate for invoice discounting, our platform is able to analyse the payers' information collected during the know-your-customer process and data points relating to the invoices, including the industry and business type of the payers, the start and due date and amount of the invoices. The invoice discounting feature benefits the payers and payees who are Customers and Users of our platform by allowing earlier collection of invoice payment at a discount.

Relationship with Visa Inc. – We have a relationship with Visa. As on December 31, 2021, more than 90% of commercial credit cards processed through our systems were Visa cards. Visa is also a shareholder in our Company holding 2.94% of our paid-up Equity Share capital on a fully diluted basis as on the date of this Draft Red Herring Prospectus. Pursuant to the arrangements with Visa, Visa facilitates introductions of our Company to Visa issuing financial institution partners to enable us to grow the usage and enrollment of Customers on our platform, and supports us in our marketing and sales activities. Further, we shall ensure that for issuing banks' corporate or public sector clients using Visa's commercial credit card, registered and making payments to their vendors/ suppliers on our platform, Visa's commercial credit cards are the only payment option on our platform for a specified duration, subject to certain exceptions, out of card payment options. We ensure that commercial credit cards processed through our system are Visa cards for certain international territories agreed with Visa. For non-card payments, we allow other payment service provider options such as ACH/NEFT/RTGS/IMPS/UPI/Aadhaar Pay/net banking. Benefiting from our relationship with Visa, we are able to access new markets in addition to India by providing our technology solutions to an extended network of issuers and acquirers who work with Visa. We have launched our platform in the UAE through PayMate LLC, our subsidiary in the UAE, as a Visa-certified Business Payment Solution Provider. We are also aiming to expand into other parts of the Central Europe, Middle East and Africa ("**CEMEA**") region as well.

As a result of our relationship with Visa, TPV processed through Visa cards are ₹101,581.68 million, ₹102,212.20 million, ₹184,498.23 million and ₹463,400.40 million in Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, respectively, constituting 84.56%, 88.58%, 98.59% and 99.71% of card-processing TPV in the same period. For further details, see *"Risk Factors – We are reliant on our contracts and arrangements with Visa Inc. in respect of B2B digital payments solutions and any disruptions of our relationship with Visa or termination of our contracts and arrangements will have an adverse effect on our growth prospects, business and results of operations." on page 28.*

Our financial institution partners – According to the RedSeer Report, we are the largest B2B payments player and one of the fastest growing providers of online, card-based payment-processing services in India, in terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. We have relationships with three financial institution partners to issue commercial credit cards to Customers and are seeking to deepen our partnerships with these financial institutions. We have developed partnerships with banks and financial institutions that, according to RedSeer,

account for 50% of all credit cards issued in India in Fiscal 2021. This enables Customers to utilize our platform for making payments using their commercial credit cards. Our platform provides real-time visibility of payments, reporting and reconciliation of all transactions, which allow vendors and suppliers to monitor the payment status on real-time basis, which facilitates real-time reconciliation of transactions with the Customers' systems through our API integrations and enable our financial institution partners to monitor every payment using the commercial credit card prior to disbursal. This can drive increased card volumes for the banks with enhanced credit checks due to the features of our platform. Our financial institution partners include SBI Cards and Payment Services, ICICI Bank Ltd and a leading private bank in India. In Fiscal 2021, we processed ₹187,142 million of our Customers' transactions using commercial credit cards issued by our financial institution partners, which demonstrated a CAGR of 26.25% as compared to ₹117,408 million in Fiscal 2019.

Our key Customers

We have a diversified Customer base across multiple sectors including distribution of information technology products, FMCG, paints, financial services, cement, auto ancillary, travel and airline, media, manufacturing and logistics sectors.

Our platform has been adopted by Customers across various industry verticals by Customers as follows:

Nature of Industry	No. of active Customers in the nine months ended December 31, 2021*	Revenue contribution							
		Fiscal 2019		Fiscal 2020		Fiscal 2021		Nine months ended December 31, 2021	
		(in ₹ million)	(in %)	(in ₹ million)	(in %)	(in ₹ million)	(in %)	(in ₹ million)	(in %)
Distribution of information technology products	1	-	-	-	-	282.38	8.11	1,744.31	20.68
Cement	6	-	-	3.49	0.16	298.33	8.56	1,269.75	15.05
FMCG	7	0.54	0.02	1.09	0.05	565.82	16.24	1,208.33	14.33
Auto ancillary	9	-	-	0.01	0.00	-	-	1,138.40	13.50
Financial services	4	197.91	8.39	107.63	4.98	759.09	21.79	787.89	9.34
Paints	1	267.03	11.32	367.82	17.02	574.91	16.50	681.46	8.08
Travel and Airline	18	1,857.42	78.75	1,613.73	74.66	510.87	14.66	793.11	9.40
Media	1	5.09	0.22	10.53	0.49	-	-	0.06	0.00
Manufacturing	21	-	-	11.14	0.52	-	-	59.72	0.71
Logistics	1	8.80	0.37	-	-	-	-	0.19	0.00
Service	15	-	-	-	-	-	-	245.84	2.91
Metals	5	-	-	-	-	-	-	200.44	2.38
Distribution of electrical items	2	-	-	-	-	-	-	82.71	0.98
Others	70	21.70	0.93	45.95	2.13	492.6	14.14	222.17	2.64
Total	**161**	**2,358.50**	**100.00**	**2,161.39**	**100.00**	**3,484.00**	**100.00**	**8,434.38**	**100.00**

Note:
**Active Customers are defined as Customers who have transacted on our platform once or more in the nine months ended December 31, 2021 on a rolling basis.*

The diversity of the industries from which we derive revenue demonstrated above is a result of the launch of various solutions including vendor payments and GST and direct tax payments, which shows that industry relevant solutions have helped drive adoption and can increase User stickiness on our platform. The adoption of our platform across industry verticals helps to ensure that we are not impacted by trends in any one industry.

Our top 10 Customers in Fiscal 2021 and the nine months ended December 31, 2021 are as follows:

No.	Name	Industry of Customer	Relationship years	TPV (in ₹ million)		Total number of suppliers and vendors/ users on-boarded	TPV of Accounts Payable for the nine months ended December 31, 2021	TPV of Accounts receivable for the nine months ended December 31, 2021
				For Fiscal 2021	For the nine months ended December 31, 2021			
1.	Customer A (*masked name*)	Trading	1.3	12,050	96,906.52	63	96,906.52	Nil
2.	Customer B (*masked name)*	FMCG	1.7	27,639	52,584.83	15,845	52,584.83	Nil
3.	Customer C (*masked name*)	Automotive	0.7	-	43,596.26	710	43,596.26	Nil
4.	SBI Cards and Payment Services Limited	Financial services	1.5	32,498	42,120.46	7,088	42,120.46	Nil
5.	Kansai Nerolac Paints Limited	Paint	3.8	32,247	37,230.05	7,594	37,230.05	Nil
6.	Customer D (*masked name*)	Cement	1.4	8,500	27,625.21	22	27,625.21	Nil
7.	Customer E (*masked name*)	Cement	1.4	5,890	26,403.45	24	26,403.45	Nil
8.	Customer F (*masked name*)	Travel	10.4	40,661	20,564.56	13,706	Nil	20,564.56
9.	Customer G (*masked name*)	Travel	2.1	4,487	19,632.48	43	19,632.48	Nil
10.	Customer H (*masked name*)	Cement	0.8	2,030	13,698.65	4	13,698.65	Nil
11.	Jay Bharat Maruti Limited	Automotive	1.9	3,595	11,648.90	1,299	11,648.9	Nil

Our Market Opportunity

India is one of the world's fastest growing digital economies and enterprises in India are adopting, and growing with increased access to, software, technology and digitally enabled financial services. *(Source: RedSeer Report)* We are a leading[2] B2B payments and services provider that digitizes, automates and streamlines B2B payments in supply chain and a pioneer in the digital technology-based B2B payment services market. *(Source: RedSeer Report)* We are the largest B2B payments player and one of the fastest growing providers of on-line, card-based payment-processing services in India, in terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)* Our Customers are increasingly seeing the benefits of card-based online payments and collections with enhanced security and credit checks. According to the RedSeer Report, the total TPV for B2B online payments (including cross border) in India was ₹560 trillion (approximately USD 8 trillion) for Fiscal 2019, ₹490 trillion (approximately USD 7 trillion) for Fiscal 2021, and is expected to grow to ₹735 trillion (approximately USD 10-11 trillion) by Fiscal 2026, representing a CAGR of 8% between Fiscals 2021 and 2026[3]. Accordingly, we have a large addressable market in India. [4]

In addition to India, we are targeting CEMEA for expansion of our network. We have partnered with Visa in UAE, and are seeking to work with financial institutions in Sri Lanka through our relationship with Visa, and aim to continue expanding our network by virtue of our relationship with Visa. According to the RedSeer Report, the Gulf Cooperation Council ("**GCC**") region is an attractive B2B payment market with market size of approximately USD 4 trillion in 2020, and is expected to reach USD 5-6 trillion by 2025. According to the RedSeer Report, the UAE leads the Arab nations in the FinxAR index (Index of Modern Financial Technologies in the Arab countries launched by the Arab Monetary Fund which aims to identify the efforts of Arab countries in enabling and promoting fintech adoption) with a score of 75%, followed by Saudi Arabia and Bahrain with scores

[2] In terms of TPV processed in 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)*

[3] 1 USD = 70 INR

[4] USD 1 = ₹70

of 65% and 64%, respectively. (*Source: RedSeer Report*) We are targeting to expand our platform's reach to more potential Customers and Users as we expand into international markets in the CEMEA region.

Source(s): RedSeer Estimates. GCC consists of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates

Our key metrics

We have demonstrated strong financial performance with growth across key financial indicators. Our total revenue increased by 61.19% in Fiscal 2021 compared to Fiscal 2020. Our total revenue grew at a CAGR of 22% between Fiscals 2019 and 2021. Some of our key financial and non-financial benchmarks in the last three Fiscals and nine months ended December 31, 2021 are as follows:

	Fiscal			Nine months ended December 31, 2021
	2019	2020	2021	
Total TPV[1] (₹in million)	210,306.89	197,644.25	221,419.31	484,005.06
Card-processing TPV (₹in million)	117,407.61	115,388.67	187,142.31	464,766.45
Revenue from operations (₹in million)	2,358.50	2,161.39	3,484.00	8,434.38
Gross profit (₹in million)	53.76	(44.61)	(1.08)	(14.46)
Gross profit margin[2]	2.28%	(2.06)%	(0.03)%	(0.17)%
Number of geographies in which we had operations	1	2	2	2
EBITDA[3] (₹in million)	(69.13)	(249.64)	(255.97)	(409.32)
EBITDA margin[4] (%)	(2.93)%	(11.55)%	(7.35)%	(4.85)%
ROCE[5]	(203.89)%	(80.04)%	(164.64)%	(109.11)%

	As on March 31,			As on December 31, 2021
	2019	2020	2021	
No. of Customers	335	413	3,439	49,953
– Number of all Enterprise Customers	89	131	218	480
– Number of Enterprise Customers with annualized TPV of more than ₹10,000 million	3	4	5	15
– Number of SME Customers	246	282	3,221	49,473
No. of Users	39,318	49,066	89,232	116,858

Notes:

1. TPV represents the total purchase volume processed.
2. Gross profit margin represents gross profit divided by revenue from operations.
3. EBITDA represents profit/ (loss) after tax net of finance cost and depreciation.

4. EBITDA margin is the percentage calculated by dividing EBITDA by revenue from operations.
5. ROCE represents return on capital employed, which is the percentage calculated by dividing earnings before interest and taxes (EBIT) by the sum equivalent to total assets deducted by current and non-current liabilities.

Our Customers grew at a CAGR of 222% from the end of Fiscal 2019 to Fiscal 2021 and our Users grew at a CAGR of 51% from the end of Fiscal 2019 to Fiscal 2021. Among our Customers, our Enterprise Customers grew at a CAGR of 87.67% from the end of Fiscal 2019 to December 31, 2021 and our SME Customers grew at a CAGR of 588.04% from the end of Fiscal 2019 to December 31, 2021.

Our Strengths

Leading B2B payments solutions provider

We are a leading[5] B2B payments and services provider that digitizes, automates and streamlines B2B payments in supply chains and a pioneer in the digital technology-based B2B payment services market. *(Source: RedSeer Report)* We were the largest B2B payments player and one of the fastest growing providers of on-line, card-based payment-processing services in India, in terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)* We processed ₹40,196.68 million of GST payments in Fiscal 2021, constituting 18% of our total B2B payments in Fiscal 2021. From April to December 2021, we processed ₹99,929.67 million of GST payments and ₹22,467.92 million of direct tax payments. According to the RedSeer Report, we are one of the first full-stack supply chain payments automation platform in India for enterprises and their supply chain, which offers commercial credit cards as a payment instrument, GST, direct tax and utility payments, vendor payments (accounts payables), collections (accounts receivables), automated reconciliation, and invoice discounting (early payment discounting) and invoice financing. Our platform provides solutions to enterprises such as credit checks, vendor payments, utility payments and tax payments with automated processes. We have also launched the PayMate App thereby extending the reach of our platform, for ease of use and access to commercial credit cards.

Our integrated platform for B2B payments encompasses multiple features that are relevant to Enterprise Customers and SME Customers. We have designed our platform to cater to the needs of the B2B payments ecosystem, with Users and Customers being able to utilize different features of our platform prior to, during and after making or receiving payments through our platform. Also, the data generated by our platform provides our Customers insights into their operational requirements and working capital, whilst providing our financial institution partners data for making credit decisions and monitoring payments and reducing credit risks.

Our platform uses an API connection to avoid the inefficiencies faced in legacy B2B payment flows, such as siloes in payments, requiring multiple bank integrations and delayed reconciliations. Our payments platform provides an integrated payments solution and has the capability to integrate into the Customer's existing ERP systems and eliminates the need for multiple software tools and physical book keeping records. Our platform is compatible with and optimized for multiple form factors, including desktops and smartphones, which makes it easily accessible for Users and Customers with different hardware specifications.

Our Company has won industry accolades such as BT-KPMG Best Bank and Fintech Jury Award 2021 for "Best Fintech (Payments)", awarded by Business Today. For further details, see "*History and Certain Corporate Matters – Key awards, accreditations and recognitions*" on page 188.

Long term Customer relationships and deep focus on User engagement

Our platform's reach increased from 39,318 Users and 335 Customers as on March 31, 2019 to 116,858 Users and 49,953 Customers as on December 31, 2021. Our monthly TPV reached ₹77,731.45 million in December 2021. We have an active Customer base with an average Customer relationship of 0.63 years. Our top ten Customers in terms of TPV as on December 31, 2021 have an average relationship period of 1.7 years with us.

We generally acquire new Customers through our business development team to develop business relationships with prospective Enterprise Customers and SME Customers and our relationships with commercial banks where we are able to market to the business banking customers of these banks. We have relationships with three financial institutions.

---

5 In terms of TPV processed in 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)*

Once a Customer is onboarded on to the platform, we aim to cross sell our various services across the platform to ensure Customer retention. After receiving feedback from our Customers, we coordinate internally and follow up with our Customers thus seeking to ensure that Customers' expectations and business needs are met and that issues are resolved in a timely and satisfactory manner.

As a result of these initiatives, our Customer churn, i.e., the number of Customers of a preceding period that stop using our platform to make payments in the immediately following period, is limited. Our historical churn rate for the last three Fiscals is set out below:

Status	Fiscal 2019	Fiscal 2020	Fiscal 2021	As on December 31, 2021
Active Customers* for the Fiscal	69	91	129	167
Enterprise Customers** churn (if not active for one year at any time during the Fiscal or as on March 31 of the Fiscal)	12	18	43	40
Enterprise Customers churn (Excluding travel)	10	12	23	36
Churn % (Excluding travel)	23%	16%	23%	22%
Churn %	27%	30%	46%	24%

Notes:
** Active Customers are defined as Customers who have transacted on our platform once or more in the last 12 months on a rolling basis.*
*** Enterprise Customers are defined as enterprises which subscribed for the enterprise plan on our platform.*

We believe we have a competitive advantage over other technology enabled and traditional B2B payment solutions providers because of our understanding of the payment processing needs of different types of enterprises from multiple verticals within a supply chain and real-time integration with our Customers' system. Our experience and emphasis on supply chains as well as enabling business payments using commercial credit card payments gives us the ability to retain our Customers and upsell new solutions to our Users. We are in the process of launching an invoice-discounting feature on our platform that will enable our Customers to get early payments against invoices raised on their customers.

Relationships with key stakeholders in the payment automation ecosystem

In order to service the needs of our Customers, we have relationships with commercial credit card issuing banks in India. Our relationships with these banks allow us to extend our Customer base alongside growth of the commercial credit card industry to reach more Customers with needs to make and receive online payments. We have relationships with three banks and financial institutions. These banks and financial institutions account for 50% of all credit cards issued in India in Fiscal 2021. (*Source: RedSeer Report*) The key financial institutions we work with include SBI Cards and Payment Services, ICICI Bank and a leading private bank in India. In addition to referring our Customers to these banks, due to the nature of our platform, we also receive Customer referrals from these financial institutions.

In addition, we have a long-standing relationship with Visa and it is also a shareholder in our Company. We ensure that commercial credit cards processed through our system are only Visa cards for certain international territories agreed with Visa. Our agreement with Visa is effective until 2025, subject to further renewal. We plan to continue to expand our presence in the APAC region through partnerships, in particular Southeast Asia and Australia. We also have agreements in place with payments gateways to facilitate online payments. See "*Overview – Our Company – Relationship with Visa Inc.*"

Scalable and data-centric technology enabled platform

We designed and built our platform using our in-house technology that enables us to connect our Customers with their vendors and integrate with banking platforms. Our platform is scalable and provides the capabilities and flexibility to process front-end payments and back-end reporting and settlement transactions for closed supply chains, which consist of the same group of actors in a closed loop series of transactions. For further details in relation to our platform, see *"-Our Platform*" on page 153. Our platform's operating structure is designed to be efficient and scalable, meaning we can expand our operations without significantly increasing our fixed costs. We have processed total TPV of ₹210,306.89 million, ₹197,644.25 million, ₹221,419.31 million and ₹484,005.06 million during Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, respectively, which shows an expanding network effect within our Customers.

Our platform also gives us insights into the way enterprises operate their businesses. This gives us the ability to develop and provide solutions to our Customers and their vendors and suppliers using our technology enabled platform. Our platform learns autonomously from the behaviour of our Customers on the platform to enhance our

service offering. Our platform has competitive advantage to launch and upscale efficiently through simple integration with our Customers' systems. Our invoicing and credit engine is a tool we have developed for analyzing SME businesses for their cash flows using machine learning and artificial intelligence algorithms.

Our platform supports quantitative credit analysis to facilitate our financial institution partners in credit evaluations and cash flow forecasts. Our credit engine is designed to analyze a business's past bank statement and forecast future cash flows and to give data on which days/months/quarters the business's cash flow is the strongest and the weakest. Based on these future cash flow predictions, we are in a position to recommend the quantum of credit to give to the business and the optimum time for them to repay it. This ability to forecast future cash flows gives us an advantage in analyzing SME businesses having unstructured financial data, thus helping us increase the usage of our platform by these Customers and also enables our financial institution partners to evaluate these Customers for creditworthiness.

As we expand our Customer base, we intend to build stronger relationships with them and develop new learnings and market insights from them. Our model, combined with the power and efficiency of our platform, enables us to leverage our Customers' supply chains to acquire new Customers and upsell new solutions and services. By understanding our Customers' needs through analytics of user behaviour, we are better positioned design and develop new solutions, deploy them and be prepared to support our Customers, which would allow us to benefit from self-reinforcing network effects. The combination of these measures results in us being embedded in our Customers supply chain, which may make it difficult for our competitors to replicate our value proposition.

Strong focus on processes and risk management

Given the volume and value of transactions conducted on our platform, mitigating risks and security are core elements of our systems. The control, data collection and data analysis capabilities of our network and technology platform have enabled us to develop a strong security infrastructure to retain our Customers and financial institution partners and to attract prospective Customers and financial institution partners. Further, our platform provides our financial institution partners with access to our platform, which enables them to determine the credit score of counter parties based on information in the documents we collect during the know-your customer process when we onboard new Customers to our platform.

In addition, we have implemented fraud prevention measures in line with the prevailing industry practices for systems and cyber security. We are a certified Payment Card Industry (PCI) Data Security Standard (DSS) version 3.2.1 compliant company.

Our fraud risk management framework includes identifying, measuring, managing, monitoring, and reporting of fraud risks. We have an internal four member team responsible for maintaining and reviewing our risk and fraud management policy. Under these policies the team is tasked with identifying risks, assessing the impact, and implementing and monitoring controls to reduce fraud risks. We also have a detection program to monitor activities where fraud risk has been identified through the risk assessment process or through the internal team. Fraud detection is carried out through data mining, scrutiny of policy and other documents, screening of employees, due diligence of vendors, third party and advisors and other measures. Additionally, we also have a cyber-security framework which documents and implements the procedures to identify, assess, and manage cyber security risk associated with processes, information, networks and systems.

Experienced management team and marquee shareholders

Our Chairman and Managing Director has experience in building technology companies such as Coruscant Tec Private Limited, and Web Resource Private Limited, a web development company.

Our board of directors is composed of two Executive Directors (i.e., the Chairman and Managing Director and the Whole-time Director) and four Non-executive Directors comprising three Independent Directors including one woman Independent Director on the Board, an overall average length of tenure of more than six years. Our directors combine their financial and entrepreneurial experience with expertise in the financial services, payments, and technology industries. Our three independent directors with experience in electrical engineering, global commercial business management and human resources industries provide independent advice to our board. Each of our business functions is headed by an experienced executive who reports to our chief commercial officer, managing director, chief financial officer or director.

In addition, Visa is a shareholder in our Company with a 2.94% stake on a fully diluted basis as on the date of this Draft Red Herring Prospectus. For further details in relation to our relationship with Visa, see *"-Our Platform – Relationship with Visa Inc."* on page 155.

We have also attracted investors, many of whom have increased their investment in our Company over our prior capital raising rounds and one of whom has appointed a nominee director on our Board. The mix of our entrepreneurial, executive, board and shareholder experience and expertise provides a key competitive strength for our Company.

Our Strategies

Our primary objective is to remain focused on providing services to our Customers and Users through our platform to enable them to grow their businesses and help them run their operations more effectively. We plan to grow our business primarily by employing the following principal strategies:

Exploiting the network effect of our platform

We aim to exploit the network effect created by the addition of every User and Customer on our platform. We aim to achieve this by leveraging our existing Enterprise Customers and SME Customers and financial institution partner relationships to grow our SME Customers and Users. Our experience in B2B supply chain payments automation has allowed us to onboard 49,953 Customers and 116,858 Users as on December 31, 2021. Among the 49,953 Customers, 480 were Enterprise Customers and 49,473 were SME Customers.

The network and cascade effect opportunity created by these Customer additions is represented below:

Once a large enterprise is on-boarded on to our platform as a Customer, we aim to bring the vendors, suppliers, buyers, dealers and distributors of Customers on to our platform as SME clients for their vendor payments, GST and direct tax payments, thus resulting in a cascading effect of organic growth of our platform.

SME Customer acquisition is further bolstered by extending our platform to business banking customers of our financial institution partners. For example, we recently undertook an exercise targeting ICICI Bank's corporate banking customers by creating a new landing webpage for all ICICI SME Customers, resulting in addition of 2,270 SME Customers from June 1, 2021 to December 31, 2021. As we roll out similar initiatives for more financial institution partners in the future, we expect to continue to grow our SME Customer base in a similar manner.

Leverage our leadership to capture favorable industry dynamics

According to the RedSeer Report, global commercial payments volume was estimated at approximately USD 134 trillion in 2021. RedSeer estimates that India has approximately USD 8 trillion of the global commercial payments volume, CEMEA, approximately USD 10 trillion and Asia-Pacific estimated at approximately USD 58 trillion. This presents us with an opportunity to exploit this latent demand and enabling these SMEs to access credit and funding using our platform. We were the largest B2B payments player and one of the fastest growing providers of on-line, card-based payment-processing services in India, in terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)*

In addition, we are also focused on diversifying the industry sectors of the Customers we target. According to the RedSeer Report, our wide suite offerings to enterprises, such as payment automation and dashboard support, drive superior engagement as compared to other peers. Our focus across industry sectors has enabled us to expand from a historical concentration in the travel and airline industry segment to other sectors of the economy. As compared to Fiscal 2019 when our Customers in the travel and airline industry contributes to 79% of our total revenue, our revenue base expanded to our Customers in 51 different industries contributing to 85.36% and 90.60% of our total revenue (excluding travel sector) in Fiscal 2021 and for the nine months ended December 31, 2021, respectively.

We are also constantly engaging with our Customers and aim to increase Customer transaction volumes using commercial credit cards on our platform through developing our partnerships with the financial institution partners. The commercial credit card market was USD20 billion in Fiscal 2022 and is expected to grow at a CAGR of 30%, as per RedSeer estimates.

As one of the first full-stack supply chain payments automation platforms in India for enterprises and their supply chain *(Source: RedSeer Report)*, we are in a position to benefit from the size and scale of the existing opportunities to digitize these payments in India and CEMEA.

Expand our geographical presence in international markets

We have commenced operations in the UAE during the current fiscal year, through PayMate LLC and plan to further expand in the UAE. We have also established PayMate India SPC, a subsidiary in Oman, during the current fiscal year to develop and expand in Oman. As on December 31, 2021, PayMate LLC onboarded 3 Customers of different industries. We aim to expand into CEMEA, which has a large B2B payment market of around USD 10 trillion in 2021 according to the RedSeer Report, in the future. We plan to continue to expand our presence in the APAC region through partnerships, in particular Southeast Asia and Australia. We aim to leverage our existing Customers in India with global operations to expand our offering to their offices in other geographies. This will further allow us to attract new Customers to our platform in these geographies.

Grow our Customer base in India

We aim to expand our presence in India by targeting potential Customers across India. We have employees in sales functions based out of Delhi, Mumbai, Pune, and Bengaluru in India. As we add SME Customers through our Enterprise Customers and our financial institution partners, our Customers are now based out of multiple cities and towns. We have designated a team for sales and marketing functions. The strategic regional focus of our sales and marketing network enables us to target SMEs by virtue of bank reference and customized solutions. In light of different parts of India that are typically underserved by incumbent providers (*Source: RedSeer Report*), we seek to penetrate into different regional markets in India and increase our Customer base by targeting these SMEs. Our digital platform delivers benefits to these Customers in terms of timely payments, efficiency and transparency. This would provide us with significant growth opportunities as these Customers increase the usage of our platform. Further, we intend to cross sell additional solutions in the platform to our Users. As we utilize data analytics to gain deeper insight to the needs of our Users through their behaviors on our platform, we can understand usage patterns, identify service and solution gaps and improve our offerings to create an overall better experience for our Users.

Increase our penetration in the existing supply chain ecosystem

We intend to deepen our engagement with our existing Customers by increasing the adoption of the invoice discounting and supply chain credit offering that we provide through our financial institution partners. This would lead to increased Customer transaction volumes through our platform and deepen relationships with our Customers, which would also allow us to provide customized solutions to such Customer's vendors, suppliers,

buyers, dealers and distributors. Increasing our presence in the existing supply chain ecosystem will allow us to expand our offerings, increasing overall revenues for us and providing customized solutions that have higher-margin offerings.

We expect that as volumes and numbers of Users and Customers increase, we would be able to implement strategies to rationalize the fees we charge for the use of our platform and service offerings.

Expand our relationships with financial institution partners

As on December 31, 2021, we have relationships with three financial institution partners, namely SBI Cards and Payment Services, ICICI Bank and a leading private bank in India, to issue commercial credit cards to Customers and are seeking to deepen our partnerships with these financial institutions. Our financial institution partners comprise financial institutions issuing commercial credit cards (the "**Issuing Banks**") and banks with infrastructure to acquire and settle card transactions (the "**Acquiring Banks**"), both of which are an important growth channel for us to access more Customers. Leveraging on our connection with the Issuing Banks, we are able to expand our reach to other clients of the Issuing Banks. As a result, increasing the number of financial institution partners in India will allow us to expand the Customers base and increase the TPV on our platform. From April to December 2021, the TPV of our Customers through ICICI Bank Limited and SBI Cards and Payment Services Limited increased by 115.22% from ₹22,786 million in April 2021 to ₹49,040 million in December 2021 and 81.86% from ₹9,728 million in April 2021 to ₹17,691 million in December 2021, respectively. We are focused on targeting business banking customers of banks in India. We aim to expand the number of financial institution partners in India to cover all the leading banks and financial institutions. Further, we intend to utilize ₹[•] of the Net Proceeds towards increasing deposits with the Acquiring Banks to help achieve better payment gateway rates which in turn will help in improving our Company's gross margin. For further details, see *"Objects of the Offer – Placing cash as collateral with our financial institution partners to improve our margins"* on page 103.

Selectively pursue acquisitions

Although we are primarily focused on growing our business organically, we may selectively pursue strategic acquisitions to enhance our competitive position, improve our operations and expand our business. We may choose to acquire new technologies, expertise, volume and capabilities, enter new market segments or enter new geographies. In Fiscal 2021, we completed our merger with Zaitech Technologies, which enabled our Company to integrate the credit evaluation and scoring technology of Zaitech Technologies with our payments platform, thereby offering an integrated payments and credit platform. For further details, see "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*" on page 189. Our target areas where we may pursue select opportunities are areas which especially (a) employ artificial intelligence and machine learning capabilities, (b) use advanced technology for cross border payments and blockchain technology companies with B2B applications, and (c) provide robust order to cash (O2C) and record to report (R2R) solutions; (d) are firms that are engaged in mobile applications and platform security applications; (e) offer credit and lending solutions to SMEs; (f) provide human resource related services on a software as a service (SaaS) platform; (g) engage with live customers on the invoice discounting front; (h) offer B2B payment platforms in other geographies; and (i) are engaged in ancillary activities in the B2B ecosystem. For further details, see "*Objects of the Offer - Details of utilization of Net Proceeds - Pursuing inorganic initiatives*" on page 101. We have also executed a share purchase and shareholders' agreement dated August 18, 2020 for acquiring 78% shareholding (on a fully diluted basis) in Easy Pay Trading Company, an entity involved in the business of technology development. For further details, see *"History and Certain Corporate Matters – Shareholders' agreements and other material agreements"* on page 189.

Further, we intend to utilize ₹6,887.00 million of the Net Proceeds towards enhancing leverage with our financial institution partners to improve margins. For further details, see "*Objects of the Offer – Details of utilization of Net Proceeds – Placing cash as collateral with our financial institution partners to improve our margins*" on page 103.

Our ecosystem

Our platform encompasses the entire ecosystem of account payables and account receivables with additional modules with specific features. The full product suite of our platform is as follows:

Note: Some of these products are recently launched. Please see detailed descriptions appearing below.

Our integrated platform provides the following integrations to facilitate our payments from and to Customers and Users:

Through our relationships with our financial institution partners which include Acquiring Banks and Issuing Banks, our platform supports payments among our Customers, Users, and their vendors, suppliers, buyers, dealers and distributors as indicated below:

Account Payables

Our platform offers a wide array of products and services in the account payables space encompassing vendor payments, statutory payments such as GST, direct tax payments and utility payments.

Vendor Payments

We have a platform for vendor payments automation that is coupled with commercial credit card enablement for our Customers to make payments to their vendors. A commercial credit card can be issued to our Customers and their vendors by one of our financial institution partners, which generally has an unsecured limit with a 30 - 45 day credit period. Our Customers are able to extend their days-payable, which helps in managing and improving cash flows. Our Customers' vendors, in turn, can receive payments on time and processing delays in payments are reduced in electronic payments through the commercial credit cards.

We have designed the platform using our in-house technologies to provide our Customers with the flexibility of configuring a multiple level limit based approval mechanism, wherein one person can book the invoice for payment on the system which will automatically send a request for approval to a designated individual and once approved a notification is issued authorising the release of the payment on the invoice. Our platform permits the payments to be processed as a single form or via bulk files. This allows our Customers to book and approve multiple payments at a single click making the process efficient and flexible. Depending on the settlement arrangement agreed upon with our Customer, we generally try and ensure that transactions are processed on a real-time basis with settlement on the same day or the next business day and that the status is captured and updated to the Customer. Our platform also provides Customers with detailed real-time reports with information captured as on a particular date, with the identities of vendors, payment information and transaction references to allow them to reconcile transactions in their ERP system.

We offer our Customers the ability to integrate their legacy ERP systems with our platform to automate the end-to-end account payables process of our Customers. We have leveraged and built solutions to exist and function on top of legacy ERP systems that are used by our Users, which enables us to build recurring relationships with these Customers in the long term.

Our platform's ERP integration capabilities enable it to operate as one of the house banks within the Customer's ERP system. This allows our platform to process the Customers' payments across any bank with whom the Customer transacts. This allows our Customers to conduct transaction through the bank of their choice without being bound to process the transaction through a particular bank. It also helps the Customer to save costs of using multiple banks and manage risks associated with moving from one bank platform to another for its payables. As

our platform works with multiple banks, our Customers need a single integration with our platform to perform their business payments.

Our platform also analyzes Customer information collected during the know-your-customer process and performs background and credit checks to enable our financial institution partners to complete their internal credit checks and document collection to efficiently service a Customer and provide them a commercial credit card.

Statutory Payments

Statutory payments are an integral part of our platform's payments offering. We were one of the first B2B payments players to offer GST payments using commercial credit cards as a payment instrument on our platform. *(Source: RedSeer Report)* Traditionally, corporates and SMEs used Indian bank settlement systems such as NEFT/RTGS to process these payments. Our platform enables all payments to be approved and executed by the central taxation and treasury teams of our Customers. This allows our Customers to manage their cash flows and working capital requirements while meeting their tax payment obligations.

GST Payments

Our platform integrates with the platform of one of our financial institution partners, which is approved by the Government of India for GST collections and which then connects to the Government of India's GST portal. A feature of our platform's integration is that our Customers are able to retrieve all pending GST invoices for payment using a single click. Further, given that GST is payable at multiple locations across India, typically many corporates have had a decentralized system for payments of GST as per different regions or states in India. Our platform eliminates the requirement for multiple payments and allows our Customers to centralize the entire process.

Direct Tax Payments

Tax deduction at source (TDS) and advance tax are generally the two main components of the direct tax liability for any business, where TDS is payable monthly and advance tax is payable quarterly. An aspect of our platform is that a Customer is not required to leave our platform while making these direct tax payments. The entire process can be completed on our platform, commencing from selecting the payment liability, filling up all tax details, making the payment and concluding with downloading the acknowledgement of payment. Our process enables Customers to reduce processing time and mistakes in their direct tax payments.

Account Receivables

At the other end of the B2B payments ecosystem is Account Receivables, where our platform offers various solutions for streamlining collections of account receivables for Customers by providing tech-enabled working capital solutions to dealers and distributors. By enabling commercial credit card coupled with an integration capability with the portals of these Customers, our platform provides a solution which enables the dealers and distributors to pay account receivables to our Customers. We facilitate the process by which the dealers and distributors that make payments to our Customers are evaluated by our financial institution partners for their credit worthiness. Our financial institution partners utilize our platform for undertaking the credit checks and approving the credit rating for the relevant dealer and distributor.

Our account receivables features provide the following features and benefits:

The dealers and distributors using our platform benefit by leveraging the commercial credit cards offered by our financial institution partners, where they can get credit periods extended by 30 – 45 days in addition to the existing credit period offered by our Customer. This provides the dealers and distributors with the capability to better manage their cash flows. The dealers and distributors using our platform may also benefit from our invoice discounting feature by early payment of invoices.

Add on Modules

Our platform also has additional modules in the account receivables space. These modules are Invoice Discounting, Procure to Pay and Credit Engine.

Invoice Discounting

One of our product offerings is the 'Early Payment Program' or 'dynamic discounting'. This product is mainly targeted towards Customers who can deploy their surplus capital for making early payments to their vendors in lieu of discounts offered against each invoice. The vendor gets an opportunity to receive an early payment on their invoice and improve their cash flows.

We have automated the process as follows:

We manage the entire process in an automated manner whereby our platform integrates with the ERP systems of our Customers without requiring manual intervention in data from either end. Through this integration, the details of invoices due for payment flow in from the Customers ERP systems to our platform. Our 'PayMate Invoice Discounting smart algorithm' uses multiple parameters and assigns a discount value to each invoice providing an optimization of returns to our Customer and a working capital solution for the vendor.

The vendor can receive early payment from our Customer in a very quick and convenient manner without any collateral or undergoing any underwriting process. We are seeking to bring invoice discounting and vendor payments on to an integrated platform through a single integration.

The invoice-discounting offering in our system uses artificial intelligence/machine learning to optimize the returns on the capital deployed by the buyer while also optimizing the supplier acceptance rate. Our system analyzes the market and industry changes, buyer-supplier behavior, and adapts the discount rates on invoices accordingly. This is done on an automated basis by our platform, which benefits us in terms of rate optimization, turnaround times, and acceptance rate from Customers. In addition, the platform analyzes the past payments data of businesses on the platform and provides them forecasting their working capital needs in the coming months, and enables them to avail of credit from our financial institution partners on our platform.

Procure to Pay Automation

We believe that despite the adoption of ERP systems in India there exist operational gaps in the procure-2-pay process ("**P2P**"). Our platform integrates and automates the procurement to invoice payment cycles. We integrate our API interfaces with the Customer's backend systems to automate the procurement cycle with suppliers. We have the experience of integrating our interfaces with leading business software. The automated payment process is as follow:

We have a broad suite of APIs to handle payment processing and reporting with backend systems. Our capabilities to integrate our platform across different APIs supports integration of file exchange with backend systems for payment processing and reporting over secure file transfer protocol. This ensures that all communication is encrypted and provides a high level of security.

Our platform helps our Customers to onboard and manage all vendors and suppliers so that purchase orders can be transmitted and when generated, to the respective vendors and suppliers. Once the vendors and suppliers delivers the goods to our Customer, they are able to convert the purchase order in to an invoice through our platform at the click of a button and send this invoice to our Customer. All these steps are enabled on our platform. Our Customers use our platform to either download the invoices or verify and approve the invoice for payment using our platform and commercial credit cards of our financial institution partners. Our Customers can avail the facility of commercial credit cards based on the credit evaluation initiated on our platform.

We also provide a matrix for our Customers to replicate their internal approval workflow on our PayMate platform, such as payments, procurements, collections and vendor payments processes.

Credit Engine

The information captured on our platform enables analysis of Customer information and, after performing the required background and credit checks, our financial institution partners can complete their internal credit checks and document collection to service a Customer and provide them credit, on a card or otherwise. With the credit engine, we use algorithms which analyse external parameters such as RBI repo rate, industry segment and business types to facilitate adjustment of discount rates, after which a credit score will be provided to the financial institution partners. The credit engine uses artificial intelligence/machine learning models to analyze the creditworthiness of a business applicant. The engine focuses on analyzing the cash flows and seasonality of a business as shown on their bank statements, rather than relying on traditional credit models and ratios, thus enabling us to credit-rate even smaller businesses which may not have publicly available information or audited financial statements. As our credit engine operates on a fully automated basis, our platform is able to deliver analyses with high accuracy and faster turnaround times.

We can generally provide credit analyses of the applicants at the stage of origination and shorten the waiting window of the applicants and lender partners to complete credit analyses and negotiate on interest rates of the loans.

Our Customer Plans

Our Customers are able to choose different plans at the time of joining s. These plans provide our Customers with different options, products and features while using our platform. The plans that we currently offer our Customers are as follows:

Basic Enterprise Plan – This plan is available on both the PayMate website and the PayMate App and provides the Enterprise Customers with primarily four distinctive features, namely Receive Money, Send Money, GST and Direct Tax Payments. The Receive Money and Send Money functions enable B2B payment capacity, GST Payments and Direct Tax Payments functions enable statutory and regulatory payments.

Premium Enterprise Plan – This plan is available on the PayMate website. In addition to the features offered in the Basic Enterprise Plan, the Premium Enterprise Plan also provides working capital credit and invoice discounting features. For further details of the invoice discounting feature, see "*– Our Platform – Differentiated solutions for B2B payments"* and "*– Our Ecosystem – Account Receivables – Add On Modules – Invoice Discounting*".

Sales and Marketing

We have sales and marketing employees for different geographic regions. As on December 31, 2021, we have designated 11 employees based in India for sales and marketing functions.

Our Employees

As on December 31, 2021, we had 81 employees. We regularly provide training programs to our employees. None of our employees are represented by a labor union. We have not experienced any work stoppages since our incorporation. The following table provides a breakdown of our employee base by function for the years indicated:

	As of March 31,						As of December 31, 2021	
	2019		2020		2021			
	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%
Product management	4	6%	4	4%	4	4%	4	5%
Product designing	0	0%	3	3%	4	4%	3	4%
Information security and systems	6	9%	7	7%	6	6%	6	7%
Engineering	29	43%	39	36%	34	35%	28	35%
Sales	6	9%	13	12%	11	11%	11	14%
Finance	9	13%	10	9%	10	11%	10	12%
Legal	1	1%	2	2%	3	3%	3	4%
Administration	4	6%	6	6%	6	6%	5	6%
Human resources	1	1%	1	1%	1	1%	1	1%
Customer service	3	4%	9	8%	8	8%	2	2%
Risk management	1	1%	2	2%	2	2%	2	2%
Marketing	1	1%	2	2%	2	2%	2	2%
Credit	0	0%	6	6%	3	3%	2	2%
Management	3	4%	3	3%	3	3%	2	2%
Total	**68**	**100%**	**107**	**100%**	**97**	**100%**	**81**	**100%**

Intellectual Property

Intellectual property rights are important to our business, and we rely on a combination of trademark and domain name protection in India and other jurisdictions in which we operate, as well as confidentiality procedures and contractual provisions to protect our intellectual property.

Our Company has registered 16 trademarks in India under classes 9, 16, 36 and 42 with the Trade Marks Registry, Mumbai under the Trade Marks Act, 1999 and one registered patent assigned to our Company from one of Promoters. For details of the assignment of the patent, see "*Promoters and Promoter Group – Interests of the Promoters*" on page 208.

Property

Our Registered and Corporate Office is situated on a leased premises at No. 111, 1st Floor, A-Wing, Sunder Ville, S.V. Road, Santacruz (West), Mumbai 400 054, which is valid until December 31, 2024. We also maintain an office on a leased premises at No. 1538-05, 15th floor Exchange Tower, Business Bay, Dubai, UAE. We are required to pay a security deposit and specified monthly rentals for the duration of the agreement, subject to periodic escalations at agreed rates.

Insurance

We maintain a directors' and officers' liability insurance policy, a group health cover policy and a general office package insurance. For further details in relation to the risk relating to our insurance coverage, see *"Risk Factors – We do not insurance coverage to cover our business risks"* on page 45.

Information Technology

We have actively invested in information technology as it is fundamental to our platform and service offering. We develop our platform in-house, using our internal information technology infrastructure. The PayMate platform is hosted on cloud provided by third-party cloud services provider and maintained by PayMate is available on App Store (iOS) and Google Play Store (Android).

Competition

We compete with domestic and international companies and some of these companies have greater financial resources and substantially larger bases of Customers than we do, which may provide them with significant competitive advantages. These companies may devote greater resources to the development, promotion, and sale of services, and they may offer lower prices or more effectively introduce their own innovative services. For more details, see "*Risk Factors – We participate in markets that are competitive with continuously evolving technology and Customer needs, and if we do not compete effectively with such established companies and new market entrants, our business, results of operations, cash flows and financial condition could be adversely affected*" on page 42.

Environmental, Social and Governance

We are also cognizant of the impact of our business on our customers, employees, society and the environment, and are committed towards sustainability. We have set up a Kulture Klub amongst our employees, which has taken several environment protection initiatives including cleaning of beaches and tree plantation.

Our ESG policies include a whistle blower policy, risk and fraud management policy, and know your customer and prevention of money laundering policy. As on December 31, 2021, women constitute 23% of our total number of employees.

Data Protection and Privacy

As our business depends on our Customer's trust in us and our platform, we are committed to protecting our Customers' data. Our privacy policy is designed to help our Users understand how we may collect, process, store and use the information they provide to us and to assist them in making informed decisions while using our services.

We maintain strict control over access to data (including personal data) and do not permit unauthorized access. We limit any physical or remote access based on necessity and existing User accounts, and access rights are reviewed to detect dormant accounts and accounts with excessive privileges. Our privacy policy details out the manner of usage and processing of personal data for our products and services. We store personal data in accordance with applicable laws and regulations. For further details, please see "*Key Regulations and Policies*" on page 174.

We use various software encryption technologies to protect the transmission and storage of personal data. We conduct periodic testing and assessment to determine the efficiency of our data processing and management technologies. We also use anti-malware, endpoint protection, network protection, security monitoring and application and platform security tools to protect data privacy. To minimize the risk of data loss or leakage, we maintain contingency, redundancy and conduct regular data backup and data recovery tests. To further strengthen the protection of our data, we plan to continue to leverage our technology infrastructure, and cybersecurity expertise, and use these technologies to enhance the reliability, stability and security of our database.

KEY REGULATIONS AND POLICIES

The following is an overview of certain key laws and regulations in India which are applicable to the operations of our Company in India. The information available in this section has been obtained from various legislations, rules and regulations notified thereunder and other regulatory requirements available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the Bidders and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.

A. Laws in relation to our business

The Payment and Settlement Systems Act, 2007 (the "PSSA")

The PSSA provides for the regulation and supervision of payment systems in India and designates the RBI as the authority for that purpose and all related matters. The PSSA defines a "payment system" as a system that enables payment to be effected between a payer and a beneficiary, involving clearing, payment or settlement service or all of them. It also includes systems enabling credit card operations, debit card operations, smart card operations, money transfer operations or similar operations, but does not include a stock exchange.

In accordance with the PSSA, it is mandatory to secure authorisation from the RBI for commencement and/or operation of a payment system, subject to the exemptions set out thereunder. The RBI may revoke the authorisation given to a system provider for any contravention of the provisions of the PSSA or the regulations notified thereunder, or for any failure to comply with the orders or directions of the RBI, or for operation of the payment system contrary to the conditions subject to which the authorisation was issued. The PSSA provides that the RBI shall give the system provider a reasonable opportunity of being heard before revocation of authorisation, however, the same is not applicable when the RBI considers it necessary to revoke the authorisation given to a payment system in the interest of the monetary policy of the country, or for any other reasons which it may specify in the order. The RBI is also empowered to prescribe the format of payment instructions and the size and shape of such instructions, the timings to be maintained by the payment systems, manner of transfer of funds within the payment system, either through paper, electronic means or in any other manner, between banks or between banks and other system participants, membership criteria for payment systems, including continuation, termination and rejection of membership, other standards to be complied with by payment systems generally and the conditions subject to which the system participants shall participate in such fund transfers and the rights and obligations of the system participants in such funds. Further, the RBI is also empowered to call for returns, documents, and other information from the system provider in regard to the operation of the payment system, to authorise its officer to inspect the premises where a payment system is being operated and inspect the equipment and documents situated at such premises, and to conduct or get conducted audits and inspections of a payment system and participants thereof.

Under the PSSA, the system providers have a duty to disclose to the existing or potential system participants the terms and conditions, including the charges and the limitations of liability under the payment system. Further, a system provider shall not disclose to any other person the existence or contents of any document or part thereof or other information given to him by a system participant, except where such disclosure is required under the provisions of the PSSA or the disclosure is made with the express or implied consent of the system participant concerned or where such disclosure is in obedience to the orders passed by a court of competent jurisdiction or a statutory authority in exercise of the powers conferred by a statute.

Operating a payment system without authorisation or failure to comply with the terms and conditions subject to which the authorisation has been issued is punishable with imprisonment of not less than one month but which may extend up to 10 years or with fine of up to ₹10 million or with both and with a further fine which may extend to ₹0.10 million for every day, after the first day during which the contravention or failure to comply continues. Failure to produce or furnish any statement, information returns or other document that is required to be furnished or to answer any question relating to the operation of a payment system which is required by the authorised officer making an inspection is punishable with fine of up to ₹1 million in respect of each offence or if he persists in such refusal, to a further fine which may extend to ₹25,000 for every day for which the offence continues. Disclosure of any information, where such disclosure is prohibited under the PSSA, is punishable with imprisonment of up to six months or with fine up to ₹0.50 million, or an amount equal to twice the amount of the damages incurred by the act of such disclosure, whichever is higher, or with both. Where a contravention of the provisions of the PSSA, or any regulation, director or order made thereunder is committed by a company, every person who, at the

time of the contravention, was in-charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed guilty of the contravention and shall be liable to be proceeded against and punished accordingly.

The Payments and Settlement Systems Regulations, 2008 (the "PSS Regulations")

The PSS Regulations were enacted to carry out the provisions of the PSSA. The PSS Regulations *inter alia*, provide the instructions regarding the manner in which applications for authorisations for commencing or carrying on business as a payment system under the PSSA are to be made. They provide that an application for grant of an authorisation certificate for commencing or carrying on a payment system must be made to the Chief General Manager of Department of Payment and Settlement Systems at the Central Office of the RBI at Mumbai, or to such other office or officer of the RBI as may be specified by it in this behalf. The PSS Regulations also make it mandatory for every system provider to submit monthly returns, return containing details of defaults in fulfilling the payment obligations by the system participants (on the date of occurrence and on a monthly basis), quarterly certificate from bankers about functioning of system provider's account with them, quarterly statement regarding disputes, annual returns relating to staff strength, income and expenditure, and annual return from the system provider showing changes in its board of directors or partners, as the case may be, changes in shareholding pattern whereby the aggregate shareholding of an individual or group becomes equivalent to 5% or more of the paid up capital of the system provider and changes in the memorandum or articles of association of the system provider, to the RBI. Further, it is mandatory for each system provider to furnish a copy of its audited balance sheet as on the last date of the relevant year together with a copy of the profit and loss account for the year and a copy of the auditor's report, within three months from the date on which the annual accounts are closed and balanced to the RBI.

Guidelines on Regulation of Payment Aggregators and Payment Gateways, dated March 17, 2020, as amended (the "Payment Aggregators Guidelines")

The RBI has issued the Payment Aggregators Guidelines requiring existing and prospective non-bank payment aggregators ("**PAs**") to apply for an authorisation from the RBI.

Under the Payment Aggregators Guidelines, existing PAs are required to maintain a net worth of ₹150 million at the time of application and attain and subsequently maintain a net worth of ₹250 million by the end of the third financial year of grant of authorisation. On obtaining such authorisation from the RBI, existing PAs will be subject to, among several other acts and regulations, the requirements of the Payment Aggregators Guidelines in relation to, merchant on-boarding, compliance with the Know-Your-Customer, anti-money laundering and combating financing of terrorism guidelines prescribed by the RBI, customer grievance redressal, and dispute management, information and data security, baseline technology-related recommendations and security, fraud prevention and risk management.

Authorised PAs will be required to intimate the RBI of any takeover or acquisition of control or change in management within 15 days of such change and the RBI shall examine the 'fit and proper' status of the management and, if required, may place suitable restrictions on such changes.

Under the prescribed merchant on-boarding policy, authorised PAs are required to conduct background and antecedent checks on the merchants, ensure that the agreements with each merchant contain provisions for security and privacy of customer data and compliance to PA-DSS and incident reporting obligations as per the Payment Aggregators Guidelines. Additionally, the RBI has by way of a directive dated December 23, 2021, extended device-based tokenization framework and introduced the requirement for merchants to provide Card-on-File Tokenisation (CoFT) Services (i.e. card credentials are converted into tokens) in order for customers to benefit from the security of tokenised card transactions. Under this requirement, no entity in the card transaction or payment chain, other than the card issuers or card networks, shall store data of their customers and authorised PAs are required to upgrade their payment systems to facilitate transactions through tokens and purge any previously stored card data, latest by June 30, 2022. Further, industry stakeholders have been advised to devise alternate mechanisms to handle any use case or post-transaction activity that currently involves or requires the storage of

card-on-file data by entities other than card issuers and card networks.

B. Industry specific legislations applicable to our Company

The Information Technology Act, 2000 (the "IT Act") and the rules notified thereunder

Under the IT Act, we are subject to civil liability to compensate for causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by us due to negligence in implementing and/or maintaining reasonable security practices and procedures. The GoI has also notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**Personal Data Rules**"), which impose limitations and restrictions on the collection, use, disclosure and transfer of "sensitive personal data or information", as defined under the Personal Data Rules.

The Personal Data Protection Bill, 2019 (the "Data Privacy Bill")

The Data Privacy Bill was tabled in the Indian Parliament by the Government of India in December, 2019. This bill proposes to amend the IT Act in relation to the matters contained therein and contains provisions relating to, *inter alia*, compensation payable by companies for failure to protect personal data. This bill provides a framework for implementing organisational and technical measures in processing personal data to ensure the accountability of entities processing personal data. The bill also provides remedies for unauthorised and harmful processing, and proposes to establish a government authority for overseeing data processing activities. A Joint Parliamentary Committee has tabled its report containing recommendations with respect to the Data Privacy Bill before the Lok Sabha (Lower House of Parliament) on December 16, 2021. The Data Privacy Bill is yet to be passed in the Indian Parliament.

C. Intellectual property laws

Intellectual property in India enjoys protection under both common law and statutes. The key legislations are the Patents Act, 1970 for patent protection, the Copyright Act, 1957 for copyright protection, and the Trade Marks Act, 1999 for trademark protection. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement.

D. Labour laws and regulations

In respect of our business and operations, we are also required to obtain licences and registrations and make timely payments as prescribed under certain labour laws, including, Employees' Provident Fund and Miscellaneous Provisions Act, 1952, Employee State Insurance Act, 1948 and the Maharashtra Shop and Establishments (Regulations of Employment and Conditions of Service) Act, 2017.

E. Tax related legislations

The tax related laws that are applicable to us include the Income-tax Act, 1961, Income Tax Rules, 1962, goods and services tax legislation comprising Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, the respective states' Goods and Services Tax Act, 2017 and various rules and notifications thereunder and as issued by taxation authorities.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated on May 12, 2006 at Chennai, India as 'PayMate India Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Tamil Nadu at Chennai. Pursuant to a special resolution passed by the Shareholders of the Company, which was confirmed by an order of the Company Law Board dated April 30, 2010, the registered office of the Company was shifted from the state of Tamil Nadu to the state of Maharashtra and a certificate of registration of the Company Law Board order for change of state dated June 29, 2010 was issued by the RoC. Subsequently, our Company was converted into a public limited company under the Companies Act, 2013 and consequently the name of our Company was changed to 'PayMate India Limited' pursuant to a special resolution passed by the Shareholders of our Company, and a fresh certificate of incorporation dated March 7, 2022 was issued by the RoC.

Changes in the registered office of our Company

The registered office of our Company is currently situated at No. 111, 1st Floor, 'A' Wing, Sundervilla, S. V. Road, Santacruz (West), Mumbai 400 054, Maharashtra, India.

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Date of change	Details of change in the registered office	Reasons for change
April 30, 2010	Change of the registered office address from 56, Luz Church Road, Mylapore, Chennai 600 004, Tamil Nadu, India to No. 111, 1st Floor, 'A' Wing, Sundervilla, S. V. Road, Santacruz (West), Mumbai 400 054, Maharashtra, India	Operational convenience

Main objects of our Company

The main objects of our Company as contained in the Memorandum of Association are:

1. "*To carry on the business of software development, creation invention, research, market, consult, advise, test, service, install and to deal, in software to facilitate processing instructions for mobile based payments between banks, customers, mobile operators and merchants including complete billing and reconciliation required to process payments between customers, merchants, mobile operators banks*.

2. *To carry on the business of issue and operation of payment system for prepaid payment instruments & to facilitate and enable customers or end-users to make necessary payment/s through online or offline transactions and to purchase prepaid vouchers; electronic; virtual and mobile based, paper and card based, either from merchant establishments or from the Company or online or through any other agencies as may be approved by the Company from time to time*.

3. *To carry on the business of development of software platform connecting banks and retail merchants to enable payments by customers through mobile phones.*

4. *To provide software to enable merchants to receive payments from customers using mobile phones through short messaging service or internet connection.*

5. *To carry on the business of payment aggregators in India and abroad and act as online intermediary to facilitate business payments and settlements for corporates and small and medium enterprises. To establish and maintain an integrated platform related to web and mobile technologies and provide and facilitate solutions and services to businesses to receive payments from its customers and make payments to its suppliers/vendors and enable businesses with procure-to-pay systems by integrating and linking with banks, issuers, acquirers, payment gateway service providers and other financial institutions, whether through internet, mobile phones or otherwise.*

6. *To establish, design, develop, maintain, operate, own, establish, install, host, provide, create platform to provide such services as payment aggregators in India and abroad and facilitate, supply, sale, purchase, licence or otherwise deal in internet portals, internet networks, internet solutions, internet gateways,*

Internet service providers, web based and web enabled services and applications and such other services that may be required in facilitating and enabling smooth payables and receivables.

7. *To partner with the existing banking partners/other potential banking partners to facilitate business credit to the customers including small and medium enterprises through commercial credit cards issued by Banks with a pre-determined credit limit and aforesaid credit be secured in favour of bank/s, by providing interest bearing fixed/security deposits, securities, guarantees or on unsecured basis or such other forms or arrangements as may be mutually agreed between the Company's bankers and Company's customers.*

8. *To set up and provide an electronic marketplace/electronic platform for buyers, suppliers, banks and financial institutions to facilitate invoice discounting and act as an electronic intermediary and enable engagement between businesses and provide such other services as are incidental and ancillary thereto in India and abroad.*"

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association in the last 10 years immediately preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution	Nature of amendment
September 6, 2014	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹650,000,000 divided into: (i) 8,744,157 equity shares bearing face value of ₹10 each; (ii) 3,862 preference shares of the ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xii) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; and (xiii) 1 preference share of ₹42.69 each **to** ₹700,000,000 divided into: (i) 1,37,44,157 equity shares bearing face value of ₹10 each; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares bearing face value of ₹14,694.45; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.35 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each;(ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; and (xiii) 1 preference share of ₹42.69 each.
September 15, 2014	Clause V of the Memorandum of Association was amended to reflect the reclassification of the authorised share capital of the Company as follows: *"The Authorised Share Capital of the Company is Rs. 70,00,00,000 (Rupees Seventy Crores Only) divided into:* *(i) 15,38,248 Equity Shares of the face value of Rs.10/- (Rupees Ten Only) each;* *(ii) 3,862 Preference Shares of Rupees 14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;* *(iii) 3,862 Preference Shares of Rupees 14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each;* *(iv) 1,820 Fully Convertible Preference Shares of the face value of Rs.12,681.34 (Rupees Twelve Thousand Six Hundred Eighty One and paisa Thirty Four Only) each;*

Date of Shareholders' resolution	Nature of amendment
	(v) *1,820 Fully Convertible Preference Shares of the face value of Rs.12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi)* *2,042 Fully Convertible Preference Shares of the face value of Rs. 12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii)* *2,042 Fully Convertible Preference Shares of the face value of Rs. 12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii)* *2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix)* *1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of 46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x)* *1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi)* *909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs.56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty One and paise Ninety Seven only) each;* *(xii)* *318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs.56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each;* *(xiii)* *1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16. (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each; and* *(xiv)* *1 Preference Share of Rupees 49.97 (Rupees Forty Nine and paise Ninty Seven Only) each.*"
September 8, 2017	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹700,000,000 divided into: (i) 1,538,248 Equity Shares; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; and (xiv) 1 preference share of ₹49.97 each **to** ₹850,000,000 divided into (i) 16,538,248 Equity Shares bearing face value of ₹10/- each; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1513 non- cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each, (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; and (xiv) 1 preference share of ₹49.97 each.
September 12, 2017	Clause V of the Memorandum of Association was amended to reflect the reclassification of the authorised share capital of the Company as follows: *"The Authorised Share Capital of the Company is Rs. 85,00,00,000 (Rupees Eighty Five Crores Only) divided into:* *(i)* *5,18,130 Equity Shares of the face value of Rs.10/- (Rupees Ten Only) each;* *(ii)* *3,862 Preference Shares of Rs.14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;*

Date of Shareholders' resolution	Nature of amendment
	(iii) 3,862 Preference Shares of Rs.14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each; *(iv) 1,820 Fully Convertible Preference Shares of the face value of Rs.12,681.34 (Rupees Twelve Thousand Six Hundred Eighty One and paisa Thirty Four Only) each;* *(v) 1,820 Fully Convertible Preference Shares of the face value of Rs.12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi) 2,042 Fully Convertible Preference Shares of the face value of Rs.12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii) 2,042 Fully Convertible Preference Shares of the face value of Rs.12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii) 2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix) 1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs.46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x) 1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi) 909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty One and paise Ninety Seven only) each;* *(xii) 318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each;* *(xiii) 1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16 (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each;* *(xiv) 3,125 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 51,264.37 (Rupees Fifty One Thousand Two Hundred & Sixty Four and paise Thirty Seven only) each; and* *(xv) 1 Preference Share of Rs. 73.72 (Rupees Seventy Three and paise Seventy Two Only) each."*
March 22, 2019	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹850,000,000 divided into: (i) 518,130 Equity Shares; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 3,125 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹51,264.37 each; and (xv) 1 Preference Share of ₹73.72 each **to** ₹1,000,000,000 divided into (i) 15,518,130 Equity Shares bearing face value of ₹10/- each; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each, (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; and (xiv) 1 preference share of ₹73.72 each.

Date of Shareholders' resolution	Nature of amendment
April 19, 2019	Clause V of the Memorandum of Association was amended to reflect the reclassification of the authorised share capital of the Company as follows: *"The Authorized Share Capital of the Company is Rs. 100,00,00,000 (Rupees One Hundred Crore Only) divided into:* *(i) 106,61,677 Equity Shares of the face value of Rs.10/- (Rupees Ten Only) each;* *(ii) 3,862 Preference Shares of Rs. 14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;* *(iii) 3,862 Preference Shares of Rs. 14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each;* *(iv) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,681.34 (Rupees Twelve Thousand Six Hundred Eighty One and paisa Thirty Four Only) each;* *(v) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii) 2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix) 1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x) 1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi) 909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty One and paise Ninety Seven only) each* *(xii) 318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each* *(xiii) 1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16 (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each* *(xiv) 3125 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 51,264.37 (Rupees Fifty One Thousand Two Hundred & Sixty Four and paise Thirty Seven only) each* *(xv) 312 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 1,55,655.54 (Rupees One Lac Fifty Five Thousand Six Hundred and Fifty five and fifty four paise only)* *(xvi) 1 Preference Share of Rs. 75.24 (Rupees Seventy Five and paise Twenty Four Only) each."*
May 20, 2019	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹1,000,000,000 divided into: (i) 10,661,677 Equity Shares; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 3,125 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹51,264.37 each; (xv) 312 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹155,655.54 each; and (xvi) 1 preference share of ₹75.24 each **to** ₹1,400,000,000 divided into (i) 50,661,677 Equity Shares bearing face value of ₹10 each; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each;

Date of Shareholders' resolution	Nature of amendment
	(iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44; (ix) 1513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 3125 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹51,264.37 each; (xv) 312 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹155,655.54; and (xvi) 1 preference share of ₹75.24 each.
August 14, 2019	Clause V of the Memorandum of Association was amended to reflect the reclassification of the authorised share capital of our Company as follows: *"The Authorized Share Capital of the Company is Rs. 140,00,00,000 (Rupees One Hundred and Forty Crore Only) divided into:* *(i) 9,30,005 Equity Shares of the face value of Rs.10/- (Rupees Ten Only) each;* *(ii) 3,862 Preference Shares of Rs. 14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;* *(iii) 3,862 Preference Shares of Rs. 14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each;* *(iv) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,681.34 (Rupees Twelve Thousand Six Hundred Eighty-One and paisa Thirty Four Only) each;* *(v) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii) 2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix) 1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x) 1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi) 909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty-One and paise Ninety Seven only) each* *(xii) 318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each* *(xiii) 1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16 (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each* *(xiv) 2768 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 51,264.37 (Rupees Fifty One Thousand Two Hundred & Sixty Four and paise Thirty Seven only) each and* *(xv) 1 Preference Share of Rs. 73.72 (Rupees Seventy Three and paise Seventy Two Only) each.* *(xvi) 312 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 1,55,655.54/- (Rupees One Lac Fifty Five Thousand Six hundred and Fifty five and fifty four paise only)* *(xvii) 3,254 Non-Cumulative Participating Compulsorily Convertible Preference Shares of Rs 1,58,456.70 (Rupees One Lac Fifty Eight Thousand Four Hundred and Fifty Six and Seventy paise only)."*

Date of Shareholders' resolution	Nature of amendment
June 26, 2020	Clause III (A) of the Memorandum of Association of the Company was amended by inserting the following sub-clauses: *"5) To carry on the business of payment aggregators in India and abroad and act as online intermediary to facilitate business payments and settlements for Corporates and Small and Medium enterprises. To establish and maintain an integrated platform related to Web and Mobile Technologies and provide and facilitate solutions and services to businesses to receive payments from its customers and make payments to its suppliers/vendors and enable businesses with procure-to-pay systems by integrating and linking with banks, issuers, acquirers, payment gateway service providers and other financial institutions, whether through internet, mobile phones or otherwise.* *6) To establish, design, develop, maintain, operate, own, establish, install, host, provide, create Platform to provide such services as payment aggregators in India and abroad and facilitate, supply, sale, purchase, licence or otherwise deal in Internet portals, Internet networks, Internet solutions, Internet gateways, Internet service providers, Web based and Web enabled services and applications and such other services that may be required in facilitating and enabling smooth payables and receivables.* *7) To partner with the existing Banking partners/other potential banking partners to facilitate business credit to the Customers including Small and Medium enterprises through commercial credit cards issued by Banks with a pre-determined credit limit and aforesaid credit be secured in favour of bank/s, by providing interest bearing fixed/security deposits, securities, guarantees or on unsecured basis or such other forms or arrangements as may be mutually agreed between the Company's bankers and Company's Customers.* *8) To set up and provide an electronic marketplace/electronic platform for buyers, suppliers, Banks and Financial institutions to facilitate invoice discounting and act as an electronic intermediary and enable engagement between businesses and provide such other services as are incidental and ancillary thereto in India and abroad."*
June 26, 2020	Clause V of the Memorandum of Association was amended by substituting it with the following clause: *(i) 9,30,005 Equity Shares of the face value of Rs.10/- (Rupees Ten Only) each;* *(ii) 3,862 Fully Convertible Preference Shares of Rs. 14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;* *(iii) 3,862 Fully Convertible Preference Shares of Rs. 14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each;* *(iv) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,681.34 (Rupees Twelve Thousand Six Hundred Eighty-One and paisa Thirty Four Only) each;* *(v) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii) 2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix) 1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x) 1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi) 909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty-One and paise Ninety Seven only) each* *(xii) 318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each* *(xiii) 1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16 (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each*

Date of Shareholders' resolution	Nature of amendment
	(xiv) *2,768 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 51,264.37 (Rupees Fifty One Thousand Two Hundred & Sixty Four and paise Thirty Seven only) each and* *(xv)* *1 Preference Share of Rs. 75. 24 (Rupees Seventy Five and paise Twenty four only) each.* *(xvi)* *312 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 1,55,655.54 (Rupees One Lac Fifty Five Thousand Six hundred and Fifty five and fifty four paise only)* *(xvii)* *3,254 Non-Cumulative Participating Compulsorily Convertible Preference Shares of Rs 1,58,456.70 (Rupees One Lac Fifty Eight Thousand Four Hundred Fifty Six and Seventy Paise).*
August 26, 2020	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹1,400,000,000 divided into: (i) 9,30,005 Equity Shares bearing face value of ₹10/- each; (ii) 3,862 preference shares of ₹14,781.84 each; (iii) 3,862 preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 2,768 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹51,264.37 each; (xv) 1 preference share of ₹73.72 each; (xvi) 312 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹1,55,655.54 each; and (xvii) 3,254 non-cumulative participating compulsorily convertible preference shares of ₹158,456.70 each **to** ₹1,423,112,180 divided into (i) 930,005 Equity Shares bearing face value of ₹10/- each; (ii) 3,862 fully convertible preference shares of ₹14,781.84 each; (iii) 3,862 fully convertible preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 312 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹155,655.54 each; (xv) 1 preference share of ₹75.24 each; (xvi) 2,768 preference shares of ₹51,264.37 each; (xvii) 3,254 non-cumulative participating compulsorily convertible preference shares of ₹158,456.70 each; and (xviii) 357 fully convertible preference shares of ₹64,740 each.
July 9, 2021	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹1,423,112,180 divided into (i) 930,005 Equity Shares bearing face value of ₹10/- each; (ii) 3,862 fully convertible preference shares of ₹14,781.84 each; (iii) 3,862 fully convertible preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 312 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹155,655.54 each; (xv) 1 preference share of ₹75.24 each; (xvi) 2,768 preference shares of ₹51,264.37 each; (xvii) 3,254 non-cumulative participating compulsorily convertible preference shares of ₹158,456.70

Date of Shareholders' resolution	Nature of amendment
	each; and (xviii) 357 fully convertible preference shares of ₹64,740 each **to** ₹1,800,000,000 divided into (i) 38,618,787 Equity Shares bearing face value of ₹10 each; (ii) 3,862 fully convertible preference shares of ₹14,781.84 each; (iii) 3,862 fully convertible preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 312 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹1,55,655.54 each; (xv) 1 preference share of ₹75.24 each; (xvi) 2,768 preference shares of ₹51,264.37 each; (xvi) 3,254 non-cumulative participating compulsorily convertible preference shares of ₹158,456.70 each; and (xvii) 357 fully convertible preference shares of ₹64,740 each.
August 24, 2021	Clause V of the Memorandum of Association was amended by substituting it with the following clause: *"The Authorized Share Capital of the Company is Rs. 180,00,00,000 (Rupees One Hundred and Eighty Crore only) divided into:* *(i) 1,04,97,464 Equity Shares of the face value of Rs.10/- (Rupees Ten Only) each;* *(ii) 3,862 Fully Convertible Preference Shares of Rs. 14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;* *(iii) 3,862 Fully Convertible Preference Shares of Rs. 14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each;* *(iv) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,681.34 (Rupees Twelve Thousand Six Hundred Eighty-One and paisa Thirty Four Only) each;* *(v) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii) 2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix) 1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x) 1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi) 909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty One and paise Ninety Seven only) each;* *(xii) 318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each;* *(xiii) 1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16 (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each;* *(xiv) 312 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 1,55,655.54 (Rupees One Lac Fifty Five Thousand Six Hundred and Fifty five and fifty four paise only)* *(xv) 1 Preference Share of Rs. 78.23 (Rupees Seventy Eight and Twenty Three paise Only) each.* *(xvi) 2,768 Preference Shares of Rs. 51,264.37 (Rupees Fifty One Thousand Two Hundred Sixty Four and Thirty-Seven Paise)*

Date of Shareholders' resolution	Nature of amendment
	(xvii) *3254 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 158,456.70/- (Rupees One Lac Fifty Right Thousand Four Hundred Fifty Six and Seventy Paise)* *(xviii)* *357 Fully Convertible Preference Shares of Rs. 64,740 (Rupees Sixty Four Thousand Sven Hundred and Forty only) each* *(xix)* *293 Non-Cumulative Participating Compulsorily Convertible Preference shares of Rs. 9,59,772.10 (Rupees Nine Lakh Fifty Nine Thousand Seven Hundred Seventy Two and Ten Paise)."*
December 18, 2021	Clause V of the Memorandum of Association was amended to reflect the split of each equity share of our Company bearing face value of ₹10 into 10 Equity Shares bearing face value of ₹1 each, by substituting it with the following clause: *"The Authorized Share Capital of the Company is Rs. 180,00,00,000 (Rupees One Hundred and Eighty Crore only) divided into:* *(i)* *10,49,74,640 Equity Shares of the face value of Re.1/- (Rupees One Only) each;* *(ii)* *3,862 Fully Convertible Preference Shares of Rs. 14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;* *(iii)* *3,862 Fully Convertible Preference Shares of Rs. 14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each;* *(iv)* *1,820 Fully Convertible Preference Shares of the face value of Rs. 12,681.34 (Rupees Twelve Thousand Six Hundred Eighty-One and paisa Thirty Four Only) each;* *(v)* *1,820 Fully Convertible Preference Shares of the face value of Rs. 12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi)* *2,042 Fully Convertible Preference Shares of the face value of Rs. 12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii)* *2,042 Fully Convertible Preference Shares of the face value of Rs. 12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii)* *2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix)* *1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x)* *1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi)* *909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty One and paise Ninety Seven only) each;* *(xii)* *318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each;* *(xiii)* *1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16 (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each;* *(xiv)* *312 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 1,55,655.54 (Rupees One Lac Fifty Five Thousand Six Hundred and Fifty five and fifty four paise only)* *(xv)* *1 Preference Share of Rs. 78.23 (Rupees Seventy Eight and Twenty Three paise Only) each.* *(xvi)* *2,768 Preference Shares of Rs. 51,264.37 (Rupees Fifty One Thousand Two Hundred Sixty Four and Thirty-Seven Paise)* *(xvii)* *3254 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 158,456.70 (Rupees One Lac Fifty Right Thousand Four Hundred Fifty Six and Seventy Paise)* *(xviii)* *357 Fully Convertible Preference Shares of Rs. 64,740 (Rupees Sixty Four Thousand Sven Hundred and Forty only) each* *(xix)* *293 Non-Cumulative Participating Compulsorily Convertible Preference shares of Rs. 9,59,772.10 (Rupees Nine Lakh Fifty Nine Thousand Seven Hundred Seventy Two and Ten Paise)."*
January 29, 2022	Conversion into a public limited company
February 23, 2022	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹1,800,300,000* **to** ₹1,920,000,000 divided into (i) 224,974,640 Equity Shares

Date of Shareholders' resolution	Nature of amendment
	bearing face value of ₹1 each; (ii) 3,862 fully convertible preference shares of ₹14,781.84 each; (iii) 3,862 fully convertible preference shares of ₹14,694.45 each; (iv) 1,820 fully convertible preference shares bearing face value of ₹12,681.34 each; (v) 1,820 fully convertible preference shares bearing face value of ₹12,642.48 each; (vi) 2,042 fully convertible preference shares bearing face value of ₹12,726.16 each; (vii) 2,042 fully convertible preference shares bearing face value of ₹12,669.53 each; (viii) 2,544 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,883.44 each; (ix) 1,513 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.42 each; (x) 1,938 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹46,905.46 each; (xi) 909 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,741.97 each; (xii) 318 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹56,770.44 each; (xiii) 1,817 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹67,176.16 each; (xiv) 312 non-cumulative participating compulsorily convertible preference shares bearing face value of ₹1,55,655.54 each; (xv) 1 preference share of ₹78.61 each; (xvi) 2,768 preference shares of ₹51,264.37 each; (xvi) 3,254 non-cumulative participating compulsorily convertible preference shares of ₹158,456.70 each; (xvii) 357 fully convertible preference shares of ₹64,740 each; (xviii) 293 non-cumulative participating compulsorily convertible preference shares of ₹959,772.10 each; and (xix) 114 non-cumulative participating compulsorily convertible preference shares of ₹1,263,699.83 each.
February 23, 2022	Clause V of the Memorandum of Association was amended by substituting it with the following clause: *"The Authorized Share Capital of the Company is Rs. 192,00,00,000 (Rupees One Hundred Ninety-Two Crores only) divided into:* *(i) 8,09,12,859 Equity Shares of the face value of Re.1/- (Rupees One Only) each;* *(ii) 3,862 Fully Convertible Preference Shares of Rs. 14,781.84 (Fourteen Thousand Seven Hundred Eighty One and paisa Eighty Four only) each;* *(iii) 3,862 Fully Convertible Preference Shares of Rs. 14,694.45 (Fourteen Thousand Six Hundred Ninety Four and paisa Forty Five only) each;* *(iv) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,681.34 (Rupees Twelve Thousand Six Hundred Eighty-One and paisa Thirty Four Only) each;* *(v) 1,820 Fully Convertible Preference Shares of the face value of Rs. 12,642.48 (Rupees Twelve Thousand Six Hundred Forty Two and paisa Forty Eight Only) each;* *(vi) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,726.16 (Rupees Twelve Thousand Seven Hundred Twenty Six and paisa Sixteen Only) each;* *(vii) 2,042 Fully Convertible Preference Shares of the face value of Rs. 12,669.53 (Rupees Twelve Thousand Six Hundred Sixty Nine and paisa Fifty Three Only) each;* *(viii) 2,544 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,883.44 (Rupees Forty Six Thousand Eight Hundred Eighty Three and paise Forty Four only) each;* *(ix) 1513 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.42 (Rupees Forty Six Thousand Nine Hundred and Five and Paise Forty Two Only) each;* *(x) 1938 Non Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 46,905.46 (Rupees Forty Six Thousand Nine Hundred and Five and paise Forty Six only) each;* *(xi) 909 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,741.97 (Rupees Fifty Six Thousand Seven Hundred and Forty One and paise Ninety Seven only) each;* *(xii) 318 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 56,770.44 (Rupees Fifty Six Thousand Seven Hundred and Seventy One and paise Forty Four only) each;* *(xiii) 1,817 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 67,176.16 (Rupees Sixty Seven Thousand One Hundred & Seventy Six and paise Sixteen only) each;* *(xiv) 312 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 1,55,655.54 (Rupees One Lac Fifty Five Thousand Six Hundred and Fifty five and fifty four paise only)* *(xv) 1 Preference Share of Rs. 78.61 (Rupees Seventy Eight and Twenty Three paise Only) each.* *(xvi) 2,768 Preference Shares of Rs. 51,264.37 (Rupees Fifty One Thousand Two Hundred Sixty Four and Thirty-Seven Paise)*

Date of Shareholders' resolution	Nature of amendment
	(xvii) 3254 Non-Cumulative Participating Compulsorily Convertible Preference Shares of the face value of Rs. 158,456.70 (Rupees One Lac Fifty Right Thousand Four Hundred Fifty Six and Seventy Paise) *(xviii) 357 Fully Convertible Preference Shares of Rs. 64,740 (Rupees Sixty Four Thousand Sven Hundred and Forty only) each;* *(xix) 293 Non-Cumulative Participating Compulsorily Convertible Preference shares of Rs. 9,59,772.10 (Rupees Nine Lakh Fifty Nine Thousand Seven Hundred Seventy Two and Ten Paise);* *(xx) 114 Non-Cumulative Participating Compulsorily Convertible Preference shares of Rs. 12,63,699.83 (Rupees Twelve Lakh Sixty Three Thousand Six Hundred Ninety-Nine and Eighty-Three Paise)."*

**The authorised share capital increased from ₹1,800,000,000 to ₹1,800,300,000 (i.e., by ₹300,000) on account of approval of the Form INC-28 filed by our Company, for filing the order of the NCLT at Mumbai sanctioning the 2020 Scheme, by the RoC on February 8, 2022.*

Major events and milestones

The table below sets forth some of the major events in the history of our Company:

Calendar year	Activity
2006	Received funding from an international venture capital firm.
2007	Launched mobile payment platform to facilitate transactions via SMS channels.
2008	- Raised USD 9 million funding from certain new investors. - Launched GiftMate, a mobile gift voucher that could be redeemed against the purchases made from online merchants that our Company had partnered with.
2009	Launched 'Green Easy Money Transfer', a financial platform to facilitate instant money transfers, in collaboration with a corporate bank.
2012	Launched PayPos, an application for small businesses to facilitate payments through mobile phones.
2016	Entered into an agreement with a bank to provide a platform for the bank's customers for facilitating online transactions through mobile phones.
2018	- Selection of our "fully-integrated" B2B payments platform by Visa to help Visa's customers automate their business payments. - Strengthened our partnership with Visa through collaboration for providing clients of financial institutions in the CEMEA region with access to our payments platform.
2020	- Merger with Zaitech, developer of a micro lending platform, in order to integrate its technology with our platform.

Key awards, accreditations and recognitions

The table below sets forth some of the key awards, accreditations and recognitions received by our Company:

Calendar year	Awards and accreditations
2013	• Excellence award for 'Fastest Growing Solution' by Knowledgefaber • Recognised as runners up for the Manthan Awards South Asia and Asia Pacific for Digital Inclusion for Development for using mobile money credit delivery system and direct cash transfer facilities that help farmers use their loan amounts in an efficient manner
2018	• 'Best B2B Payment Solution Provider of the Year' award from KamiKaze B2B Media at their Payments & Cards Awards • 'Fintech' award at ET Now Leaders of Tomorrow Conclave & Awards 2018 • 'Best Online Payments Solution (Merchant)' award by InkSpell Media during their Drivers of Digital Awards, 2018
2019	• 'Best B2B Payments Platform (South Asia)' award by Wealth and Finance International at their 2019 FinTech Awards
2021	• 'BT-KPMG Best Bank and Fintech Jury Award' for 'Best Fintech (Payments)' by Business Today

Significant financial or strategic partnerships

Our Company does not have any significant strategic or financial partners.

Time/cost overrun

Our Company has not implemented any projects since its incorporation and has accordingly not experienced any time/ cost overruns pertaining to its business operations.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see "*Our Business*" and "- *Major events and milestones*" on pages 152 and 188.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/banks

There are no defaults and there have been no rescheduling or restructuring of borrowings with financial institutions or banks.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Except as disclosed below, we have not made any material acquisitions or divestments of any business or undertaking, and have not undertaken any merger, amalgamation or any revaluation of assets in the preceding 10 years:

Scheme of amalgamation of Zaitech Technologies Private Limited with our Company and their respective shareholders

By way of an order dated May 11, 2020, the NCLT at Mumbai sanctioned a scheme of amalgamation of Zaitech Technologies Private Limited ("**Zaitech**") with our Company and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("**2020 Scheme**"). Pursuant to the 2020 Scheme, Zaitech merged with and into the Company as a going concern and all the assets, properties (including moveable properties), rights in immovable properties, liabilities (including secured and unsecured debts, encumbrances, mortgages, charges, *etc.*) licenses, contracts, deeds, agreements, and intellectual properties of Zaitech were transferred to and vested in our Company. The appointed date under the 2020 Scheme was April 1, 2019 and it became effective on July 15, 2020.

Prior to the 2020 Scheme, Zaitech carried on the business of an android developer and had developed a micro lending platform. Our Company undertook the 2020 Scheme with the aim of achieving, *inter alia*, access to the payment gateway developed by Zaitech to ensure visibility of cash-flow through the supply chain and on-time payments to small and medium enterprises by large enterprises, and to scale up its merchant tie-ups and expand into lending business.

In terms of the 2020 Scheme, every shareholder of Zaitech, as on the record date September 7, 2020, was entitled to share allotment as follows:

For every 1,749 fully paid-up equity shares of face value of ₹10 each held in Zaitech, the equity shareholder of Zaitech had the option (exercisable at their sole discretion) to subscribe to the following:

(i) 100 fully paid-up Equity Shares; or

(ii) 100 fully paid-up convertible preference shares of face value of ₹64,740 each of our Company.

Further, upon issuance of Equity Shares or fully paid-up convertible preference shares by our Company pursuant to the 2020 Scheme, the then existing equity share certificates of Zaitech stood cancelled. For details with respect to the issuance of Equity Shares or fully paid-up convertible preference shares by our Company pursuant to the 2020 Scheme, see "*Capital Structure - Share capital history of our Company*" on page 81.

Shareholders' agreements and other material agreements

Investment cum shareholders' agreement dated August 16, 2021, by and amongst our Company, Mayfield FVCI, Ltd, Lightbox, IPO Wealth Holdings, 101 Investments Limited, RSP India Fund. LLC, Visa, Astor Management AG, Felicitas Equity Fund, LP, Felicitas Secondary Fund II, LP, CXI Valley I LLC, Anand Rajaraman, G. Adhiseshann, Ajay Adiseshan, Vishvanathan Subramanian, Rajat Yadav, Z2P Employees (as defined under Schedule 1 of the PayMate SHA), Z2P Investors (as defined under Schedule 1A of the PayMate SHA), Dhruv Pratap Singh, Alexander Kuruvilla, Uma Vishvanathan, Probir Kumar Roy (collectively, the

"Initial Parties") and Manjula Rajaram, as amended by way of an amendment and supplemental agreement dated March 3, 2022, by and amongst the Initial Parties, Samuel Fernandes, Gita Adiseshann, Anjana Vishvanathan and Shivank Vishvanathan (together with the Initial Parties, the "Second Set of Parties"), the second amendment and supplemental agreement dated April 26, 2022, by and amongst the Initial Parties, the Second Set of Parties and H. H. Prince Fahad Bin Abdullah Bin Mohammed Al Saud (together with the Initial Parties and the Second Set Parties, the "Parties") and the amendment and termination agreement dated May 27, 2022 entered into between the Parties ("PayMate SHA")

The PayMate SHA sets out the *inter se* rights and obligations of the investors, namely (i) Lightbox, (ii) Mayfield FVCI, Ltd., (iii) RSP India Fund. LLC, (iv) IPO Wealth Holdings, (v) 101 Investments Limited, (vi) Visa, (vii) Z2P Investors, (viii) Astor Management AG, (ix) Felicitas Equity Fund, LP, (x) Felicitas Secondary Fund II, LP, (xi) CXI Valley I LLC, (xii) Anand Rajaraman; and (xiii) G. Adhiseshann (together, the "**Investors**"), and our Promoters as Shareholders in our Company.

Pursuant to the PayMate SHA, the Investors (to the extent applicable to such Investor in accordance with the provisions of the PayMate SHA) have been granted certain rights including certain customary rights to protect their economic interest in our Company (as also set out in Part B of our Articles of Association), which include (i) board and observer nomination rights; (ii) committee membership rights; (iii) reserved matter rights; (iv) access and information rights; (v) pre-emptive and anti-dilution rights; (vi) right of first refusal; (vii) tag-along rights; (viii) liquidation preference rights; and (ix) exit rights. Further, the PayMate SHA requires our Company and Promoters to endeavor to provide an exit to the Investors including through an initial public offering.

Pursuant to the amendment and termination agreement dated May 27, 2022 ("**Amendment Agreement**") the relevant Parties (to the extent applicable to such relevant Party in accordance with the provisions of the PayMate SHA) have waived and/or suspended their respective special rights, obligations and restrictions that may be triggered under the PayMate SHA as a result of our Company undertaking the Offer and the Pre-IPO Placement and have also consented to certain matters relating to the Offer and the Pre-IPO Placement.

Under the PayMate SHA, our Company and our Promoters have, jointly and severally, undertaken to indemnify certain Investors (not including Visa) against all claims and losses not exceeding USD 1.00 million. Further, our Company has undertaken to indemnify Visa for claims in relation to fundamental warranties and claims other than those relating to fundamental warranties in accordance with the thresholds set forth under the PayMate SHA. The aforesaid indemnity obligations shall survive the termination of the PayMate SHA in so far as they pertain to any loss or claim resulting from acts or omissions during the term of the PayMate SHA.

Further, under the Amendment Agreement, subject to the approval of the Shareholders by way of a special resolution at the first general meeting held after the listing of the Equity Shares pursuant to the Offer, each of (i) Ajay Adiseshan, and (ii) Lightbox, have the right to nominate and recommend Directors to our Board in the following manner:

(i) for so long as Ajay Adiseshan (along with his relatives and/or affiliates) holds at least 10% of the issued share capital of our Company on a fully diluted basis, he shall have the right to nominate two Directors; and

(ii) for so long as Lightbox (or its affiliates) holds at least 10% of the issued share capital of our Company on a fully diluted basis, Lightbox shall have the right to nominate one Director.

The aforesaid rights of Ajay Adiseshan and Lightbox to nominate Directors have also been included in Part A of our Articles of Association, and such rights shall survive the termination of the PayMate SHA.

The PayMate SHA shall stand terminated on and with effect from the date of receipt of final listing and trading approvals by our Company from the Stock Exchanges pursuant to the Offer without any further act or deed required on the part of the Parties, subject to the survival of certain provisions such as definitions and interpretations, director nomination rights (as disclosed above), notices, governing law and jurisdiction, dispute resolution and indemnity (as disclosed above). The Amendment Agreement shall terminate (a) in the event the listing of the Equity Shares pursuant to the Offer is not completed on or before 12 months from the date of receipt of final observations from the SEBI, (b) on and from the date of withdrawal of this DRHP by our Company, or (c) such other date as mutually agreed between the Parties in writing, whichever is earlier.

Memorandum of association dated December 24, 2018, by and between Ali Mohamed Abdalla Abdelkarim Alhammadi and our Company, read along with the addendum of amendment to the memorandum of

association dated June 18, 2019, between Ali Mohamed Abdalla Abdelkarim Alhammadi and our Company (the "UAE MOA")

Our Company entered into the UAE MOA for the purpose of establishing PayMate Payment Services Provider L.L.C. ("**PayMate LLC**"), for a term of 25 years in the emirate of Dubai, in accordance with the provisions of UAE Federal Law No. (2) of 2015 concerning Commercial Companies, as amended. The capital of PayMate LLC is AED 300,000 divided into 300 shares with a value of each share being AED 1,000. Our Company and Abdalla Abdelkarim Alhammad currently hold 49% and 51%, respectively, of the share capital of PayMate LLC. The object of PayMate LLC is to carry on the business of a payment services provider.

The UAE MOA also sets out, among other things, the manner of mortgage or assignment of shares, manner of management of PayMate LLC, provisions for convening the general meetings, financial management, powers of the managing director, dissolution, *etc*. Pursuant to the UAE MOA, Sadanand Monappa Moily, senior vice-president (finance and compliance) of our Company, has been appointed as the managing director of PayMate LLC. The net profits shall be distributed among our Company and Abdalla Abdelkarim Alhammad in the ratio of 80:20.

Share purchase and shareholders' agreement dated August 18, 2020 entered into by and among our Company, Easy Pay Trading Company ("EPTC") and Prince Turki bin Fahad bin Abdullah Al Saud ("Subsidiary SHA")

Pursuant to the Subsidiary SHA, our Company purchased and acquired 78 equity shares of face value of SAR 500 each, for an aggregate consideration of SAR 39,000, representing 78% of the equity share capital of EPTC on a fully diluted basis. Pursuant to the Subsidiary SHA, our Company has the right to nominate two out of three directors, or the majority of the directors, on the board of EPTC, and appoint the chief executive officer of EPTC. The Subsidiary SHA provides certain information and inspection rights to our Company, including the right to receive audited accounts and other information which may be reasonably requested by our Company for specified reasons such as tax, legal or regulatory purposes or for our Company to monitor its investment in EPTC.

In the event that EPTC proposes to issue any dilution instruments, except any shares issued upon exercise of employee stock options or securities issued in connection with any consolidation or sub-division or bonus issue of shares, our Company and Prince Turki bin Fahad bin Abdullah Al Saud shall have pre-emption rights on the dilution instruments being offered in proportion to their then-current shareholding in EPTC on a fully diluted basis. Further, the Subsidiary SHA provides that EPTC may not issue any dilution instruments below the price per share of the equity shares, except with prior written consent of our Company.

The Subsidiary SHA also identifies certain reserve matters which require the prior written consent or veto of our Company before an action or decision in relation thereto may be made at a meeting of the board of directors, shareholders or a committee of the board of directors. This includes matters relating to the transfer of shares, increase in capital, reclassification of capital, change in board structure, drag along rights, tag along rights, anti-dilution instruments and any change in EPTC's memorandum and articles of association.

Share cum warrant subscription agreement dated March 26, 2019 entered into between our Company, Ajay Adiseshan, Probir Kumar Roy and BCCL, amended by way of the first amendment agreement dated July 18, 2019 entered into between our Company, our Promoters, Probir Kumar Roy and BCCL, and subsequently, the second amendment agreement dated August 16, 2021, the third amendment agreement dated March 15, 2022, the fourth amendment agreement dated March 24, 2022, and the fifth amendment agreement dated April 30, 2022, each entered into between our Company, our Promoters and BCCL ("BCCL SWSA")

Pursuant to the BCCL SWSA, BCCL had subscribed to (i) one equity share of our Company, for an aggregate consideration of ₹0.16 million and (ii) five warrants ("**BCCL Warrants**"), for a consideration of ₹3.90 million per warrant. As on the date of this Draft Red Herring Prospectus, BCCL has successfully exercised the BCCL Warrants and our Company has allotted 1,190 equity shares to BCCL upon conversion of the BCCL Warrants. Further, as on the date of this Draft Red Herring Prospectus, BCCL holds 1,798,410 Equity Shares. For further details, see "*Capital Structure – Notes to Capital Structure – Share capital history of our Company*" on page 81.

Under the BCCL SWSA, our Company and our Promoters have, jointly and severally, undertaken to indemnify BCCL against all claims and losses not exceeding ₹70.00 million. This indemnity obligation shall survive the termination of the BCCL SWSA, subject to Clause 9.7 (Survival) of the BCCL SWSA.

The BCCL SWSA shall stand automatically terminated on the date of receipt of final listing and trading approvals from the relevant stock exchanges for commencement of trading of the Equity Shares of our Company pursuant

to the Offer.

Advertisement agreement dated March 26, 2019 amended by way of the first amendment to advertisement agreement dated November 18, 2021 entered into between BCCL and our Company ("BCCL Advertisement Agreement")

Our Company has entered into the BCCL Advertisement Agreement for a term of six years commencing from March 26, 2019 ("**Term**"). Under the terms of the BCCL Advertisement Agreement, the Line of Credit (*as defined below*) will be available to our Company for a period of five years from May 4, 2019 ("**Advertisement Term**"). The Term shall stand automatically extended in the event of extension of the Advertisement Term, by the same period of time as the Advertisement Term. Pursuant to the BCCL Advertisement Agreement, BCCL has extended a long-term credit facility of ₹195 million ("**Line of Credit**") to our Company for release of advertisements of our Company's products, services and brands, as well as corporate campaigns, financial information and recruitment requirements of our Company in various print and non-print media. Our Company has paid ₹19.50 million to BCCL as interest free deposit, which is refundable in the manner set out in the BCCL Advertisement Agreement, towards performance of the obligations of our Company under the BCCL Advertisement Agreement.

Holding company

Our Company does not have a holding company.

Subsidiaries, joint ventures and associates

As on the date of this Draft Red Herring Prospectus, our Company has two subsidiaries. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associates.

Our Subsidiaries

PayMate, Inc.

Corporate information

PayMate, Inc. was incorporated on October 2, 2007, as a limited liability company in accordance with the provisions of the Delaware General Corporation Law. Its registered office is situated at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, County of New Castle, the State of Delaware, USA. As on the date of this Draft Red Herring Prospectus, PayMate, Inc. is not engaged in any business.

PayMate, Inc. has filed an application dated July 12, 2021 with the Secretary of State, California Stock Corporation for voluntary winding-up. As on the date of this Draft Red Herring Prospectus, the application is pending with the California Franchise Tax Board.

Capital structure

The authorised share capital of PayMate, Inc. is USD 1,000 divided into 1,000 common stock, each share bearing a face value of USD 1, and its paid-up capital is USD 1,000 divided into 1,000 common stock.

Shareholding pattern

PayMate, Inc. is a wholly-owned subsidiary of our Company.

PayMate Payment Services Provider L.L.C. ("PayMate LLC")

Corporate information

PayMate LLC was incorporated on December 27, 2018, as a limited liability company in accordance with the provisions of UAE Federal Law No. (2) of 2015 concerning Commercial Companies, as amended. Its trade license number is 822363. Its head office is situated at 15th Floor, Office No. 1501-07, The Exchange Tower, Business Bay, Dubai, UAE, P.O. Box 47863.

PayMate LLC is currently engaged in the business of providing payment services in accordance with the provisions of its memorandum of association. For details in relation to the UAE MOA, see "*-Shareholders' agreements and other material agreements"* on page 189.

Capital structure

The share capital of PayMate LLC is AED 300,000 divided into 300 shares, each share bearing a face value of AED 1,000.

Shareholding pattern

Our Company is the 100% beneficial owner of PayMate LLC. Further, in accordance with the memorandum of association of PayMate LLC, its share capital shall be distributed in the following manner:

S. No.	Name of the shareholder	Number of shares of face value AED 1,000 each	Percentage of total equity holding (%)
1.	Our Company	147	49.00
2.	Ali Mohamed Abdalla Abdelkarim Alhammadi	153	51.00

Further, as on the date of this Draft Red Herring Prospectus, we are in the process of setting up wholly owned subsidiaries namely Paymate India SPC and Paymate Fintech (Private) Limited in Oman and Sri Lanka, respectively.

Accumulated profits or losses

There are no accumulated profits or losses of the Subsidiaries that have not been accounted for by our Company in the Restated Financial Statements.

Guarantees given by the Promoter Selling Shareholders

As on the date of this Draft Red Herring Prospectus, no guarantees have been issued by the Promoter Selling Shareholders to any third party.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is authorised to have not less than three Directors and not more than fifteen Directors.

Board of Directors

The details regarding the Board, as on the date of this Draft Red Herring Prospectus, are set forth below:

Name, date of birth, designation, address, occupation, term, period of directorship and DIN of the Directors	Age (years)	Other directorships
Ajay Adiseshan *Date of birth:* August 31, 1970 *Designation:* Chairman and Managing Director *Address:* 601, Resham Corner, Of 23 and 29th Road, Bandra West, Mumbai 400 050, Maharashtra, India *Occupation*: Business *Term:* Five years commencing from April 1, 2021 till March 31, 2026 *Period of directorship:* Since incorporation of our Company *DIN:* 00099023	51	• M R Ocean Farms Private Limited • Bloom Ventures Private Limited
Vishvanathan Subramanian *Date of birth:* September 28, 1963 *Designation:* Whole-time Director and Chief Financial Officer *Address:* A-13/4, Sriram Nagar, S. V. Road, Andheri (West), Mumbai 400 058, Maharashtra, India *Occupation*: Business *Term:* Five years from September 15, 2021 till September 14, 2026 and liable to retire by rotation *Period of directorship:* Since March 8, 2018 *DIN:* 02153545	58	Bloom Ventures Private Limited

Name, date of birth, designation, address, occupation, term, period of directorship and DIN of the Directors	Age (years)	Other directorships
Sandeep Murthy *Date of birth:* November 22, 1976 *Designation:* Nominee Director* *Address:* Unit 4, 2nd Floor, Brady Gladys Plaza, 1/447, Delisle Road, Lower Parel (West), Mumbai 400 013, Maharashtra, India *Occupation*: Business *Term:* Five years from March 8, 2022 and liable to retire by rotation *Period of directorship:* Since November 16, 2006 *DIN:* 00591165	45	• Godrej Industries Limited • Future E-commerce Infrastructure Limited • Lightbox India Advisors Private Limited • Lightbox Global • Flyin Travel and Tourism Private Limited • Zoomin Online (India) Private Limited • Sherpalo India Advisors Private Limited • Magic Bus India Foundation • Cleartrip MEA FZ LLC • Cleartrip Inc. (Cayman Islands)
Kevin Christopher Phalen *Date of birth:* August 29, 1963 *Designation:* Independent Director *Address:* 1982, Stenman Dr, Batavia, IL – 60510, USA *Occupation*: Consulting/ Advisory *Term:* Five years from December 18, 2021 till December 17, 2026 *Period of directorship:* Since December 18, 2021 *DIN:* 09403864	58	• 9Spokes
Monica Niranjan Doshi *Date of birth:* April 7, 1970 *Designation:* Independent Director *Address:* 1001, Gulshan No. 2, Juhu Cross Lane, Near BMW showroom, Andheri (West), Mumbai 400 058, Maharashtra, India *Occupation*: Consultant *Term:* Five years from March 7, 2022 *Period of directorship:* Since March 7, 2022 *DIN:* 00181806	52	• Kaleidostrat Private Limited
Ashim Kumar Banerjee *Date of birth:* May 12, 1965 *Designation:* Independent Director *Address:* 8445, Baseline Road, Boulder, CO 80303, USA *Occupation*: Business	57	• IDmission LLC • IDmission Solutions Private Limited • IDmission Sa De CV

Name, date of birth, designation, address, occupation, term, period of directorship and DIN of the Directors	Age (years)	Other directorships
Term: Five years from March 7, 2022 *Period of directorship:* Since March 7, 2022 *DIN:* 01942538		

**Nominee of Lightbox*

Arrangement or understanding with major shareholders, customers, suppliers or others

Except for Sandeep Murthy, who is a nominee of Lightbox on our Board, appointed pursuant to the PayMate SHA, none of our Directors have been appointed pursuant to any arrangement or understanding with the major Shareholders, customers, suppliers or others. For details of the PayMate SHA, see "*History and Certain Corporate Matters – Investment cum shareholders' agreement dated August 16, 2021, by and amongst our Company, Mayfield FVCI, Ltd, Lightbox, IPO Wealth Holdings, 101 Investments Limited, RSP India Fund. LLC, Visa, Astor Management AG, Felicitas Equity Fund, LP, Felicitas Secondary Fund II, LP, CXI Valley I LLC, Anand Rajaraman, G. Adhiseshann, Ajay Adiseshan, Vishvanathan Subramanian, Rajat Yadav, Z2P Employees (as defined under Schedule 1 of the PayMate SHA), Z2P Investors (as defined under Schedule 1A of the PayMate SHA), Dhruv Pratap Singh, Alexander Kuruvilla, Uma Vishvanathan, Probir Kumar Roy (collectively, the "**Initial Parties**") and Manjula Rajaram, as amended by way of an amendment and supplemental agreement dated March 3, 2022, by and amongst the Initial Parties, Samuel Fernandes, Gita Adiseshann, Anjana Vishvanathan and Shivank Vishvanathan (together with the Initial Parties, the "**Second Set of Parties**"), the second amendment and supplemental agreement dated April 26, 2022, by and amongst the Initial Parties, the Second Set of Parties and H. H. Prince Fahad Bin Abdullah Bin Mohammed Al Saud (together with the Initial Parties and the Second Set Parties, the "**Parties**") and the amendment and termination agreement dated May 27, 2022 entered into between the Parties ("**PayMate SHA**")*" on page 189.

Brief profiles of the Directors

Ajay Adiseshan is the Chairman and Managing Director of our Company. In his current role in our Company, he is, among others, responsible for strategy, planning and growth of the Company along with cultivating and maintaining investor relationships. He is also responsible for leading product innovation and overseeing the Company's functionalities to reach its targets. He holds a bachelor's degree in science (electrical engineering) from University of Colorado Boulder, USA. He is an entrepreneur with experience in building technology companies such as Coruscant Tec Private Limited, and Web Resource Private Limited, a web development company.

Vishvanathan Subramanian is the Whole-time Director and the Chief Financial Officer of our Company. He joined our Company on May 1, 2007. In his current role in our Company, he is, among others, responsible for collaboration between various department across the Company to ensure synergy in operations. He manages the operational, financial and risk management activities along with overseeing the legal and financial compliances of the Company. He holds a bachelor's degree in commerce from University of Bombay, and is a qualified chartered accountant. Prior to joining our Company, he had been associated with Hrishikesh Vishvanathan & Associates, Chartered Accountants as a partner.

Sandeep Murthy is a Director nominated on our Board by Lightbox. He holds a bachelor of science in economics degree and a bachelor of applied science degree from the University of Pennsylvania, USA and a master of business administration degree from Wharton School, University of Pennsylvania, USA. He has been associated with Lightbox India Advisors Private Limited since 2014 and is currently its partner and director.

Kevin Christopher Phalen is an Independent Director of our Company. He holds a bachelor's degree in arts from St. Louis University, USA. Prior to joining our Company, he has been associated with Visa Inc. as their senior vice president (head of global commercial business).

Monica Niranjan Doshi is an Independent Director of our Company. She holds a master's degree in commerce (external) from University of Bombay and a post-graduate certificate in human resource management from Xavier School of Management. Prior to joining our Company, she has been associated with karROX Technologies Limited as their chief operating officer, Leadership Management India Private Limited as their managing director and OCS India as their human resource director.

Ashim Kumar Banerjee is an Independent Director of our Company. He holds a master's degree in science (electrical engineering) from the University of Colorado, USA. Prior to joining our Company, he has been associated with TSYS Acquiring Solutions, LLC.

Relationship between the Directors and the Key Managerial Personnel

None of the Directors are related to the Key Managerial Personnel or to each other.

Terms of appointment of the Executive Directors

Ajay Adiseshan

Pursuant to the resolutions dated August 23, 2021 passed by our Board, Ajay Adiseshan is entitled to the remuneration and other benefits, the details of which are set forth below:

Particulars	Description
Basic salary	₹6.24 million p.a.
House rent allowance	₹3.12 million p.a.
Special allowance	₹6.24 million p.a.

In addition to the above, Ajay received a one time ex-gratia payment of ₹18.00 million in Fiscal 2022. Consequently, he received a gross remuneration of ₹33.60 million in Fiscal 2022 from our Company.

Vishvanathan Subramanian

Pursuant to the resolutions dated August 23, 2021 passed by our Board, Vishvanathan Subramanian is entitled to the remuneration and other benefits, the details of which are set forth below:

Particulars	Description
Basic salary	₹3.12 million p.a.
House rent allowance	₹1.56 million p.a.
Special allowance	₹3.12 million p.a.

In addition to the above, Vishvanathan received a one time ex-gratia payment of ₹15.48 million. Consequently, he received a gross remuneration of ₹23.28 million in Fiscal 2022 from our Company.

Remuneration paid/ payable to the Non-executive Directors

Pursuant to a resolution dated December 13, 2021 passed by our Board and a special resolution dated December 18, 2021 passed by our Shareholders, Kevin Christopher Phalen, an Independent Director, is entitled to receive sitting fees aggregating to USD 100,000 p.a. for attending meetings of our Board and the committees of our Board. Further, pursuant to the resolutions passed by our Board on March 8, 2022 and by our Shareholders on March 10, 2022, our Independent Directors, Monica Niranjan Doshi and Ashim Kumar Banerjee, are entitled to receive sitting fees aggregating to ₹2.00 million p.a. and ₹1.00 million p.a., respectively.

Further, our Nominee Director is not entitled to receive any remuneration and/ or sitting fees.

Except Kevin Christopher Phalen who is entitled to receive USD 25,000 (i.e., ₹1,897,730 as of March 31, 2022), our Non-executive Directors have not been paid any remuneration and/ or sitting fees in Fiscal 2022.

Bonus or profit sharing plan for the Directors

Our Company does not have any bonus or profit sharing plan for our Directors.

Shareholding of the Directors

As per the Articles of Association, the Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares:

Sr. No.	Name of the Director	Equity Shares held
1.	Ajay Adiseshan	33,099,200

Sr. No.	Name of the Director	Equity Shares held
2.	Vishvanathan Subramanian	807,850

Service contracts with the Directors

Other than statutory benefits payable upon termination of employment of our Chairman and Managing Director and Whole-time Director and Chief Financial Officer, our Company has not entered into any service contracts with its Directors providing for benefits upon termination of employment.

Contingent and deferred compensation payable to the Directors

There is no contingent or deferred compensation payable to any of our Directors.

Interest of the Directors

All our Directors may be deemed to be interested to the extent of (i) sitting fees, if any, payable to them for attending meetings of our Board and Committees and other remuneration or commission, if any, payable or reimbursement of expenses to them, (ii) Equity Shares, if any, already held by them or their relatives or any firms, companies and trusts in which our Directors are interested as a director, member, partner or trustee, in our Company, or that may be Allotted to them in the Offer in terms of the Red Herring Prospectus and any dividend payable to them and other benefits arising out of such shareholding, and (iii) their directorship on the board of directors of, and/or their shareholding in our Group Company, Bloom Ventures.

Further, our Chairman and Managing Director and Whole-time Director and Chief Financial Officer may also be deemed to be interested to the extent of the remuneration payable to each of them by our Company. For further details, see "-*Terms of appointment of the Executive Directors*" on page 197.

No sum has been paid or agreed to be paid to the Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

None of the Directors have any interest in any property acquired or proposed to be acquired by our Company.

Except for Ajay Adiseshan and Vishvanathan Subramanian, none of the Directors have any interest in the promotion or formation of our Company.

None of the Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery, *etc*.

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers.

Changes in the Board during the last three years

The changes in the Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name of Director	Date of Change	Reasons
Monica Niranjan Doshi	March 7, 2022	Appointed as an Independent Director
Ashim Kumar Banerjee	March 7, 2022	Appointed as an Independent Director
Kevin Christopher Phalen	December 18, 2021	Appointed as an Independent Director
Vishvanathan Subramanian	September 15, 2021	Re-designation as a Whole-time Director

Borrowing powers

Our Board is empowered to borrow money in accordance with Section 179 and Section 180 of the Companies Act, 2013 and our Articles of Association.

Corporate governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares with the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and other applicable regulations of SEBI, in respect of corporate governance including in respect of the constitution of the Board and its committees thereof, and formulation and adoption of policies.

As on the date of this Draft Red Herring Prospectus, we have six Directors on the Board, comprising two Executive Directors (i.e., the Managing Director and the Whole-time Director) and four Non-executive Directors comprising three Independent Directors including one woman Independent Director on the Board.

Board committees

Our Company has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act, 2013:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Risk Management Committee; and

(d) Stakeholders' Relationship Committee.

Audit Committee

The Audit Committee was constituted by our Board at its meeting held on March 8, 2022. The Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The members of the Audit Committee are:

(a) Monica Niranjan Doshi (*Chairperson*);

(b) Ashim Kumar Banerjee;

(c) Kevin Christopher Phalen; and

(d) Vishvanathan Subramanian.

The Company Secretary shall act as the secretary to the Audit Committee.

Scope and terms of reference: The terms of reference of the Audit Committee shall include the following:

The Audit Committee shall have powers, including the following:

(a) to investigate any activity within its terms of reference;

(b) to seek information from any employee;

(c) to obtain outside legal or other professional advice;

(d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and

(e) To have full access to information contained in records of Company.

The role of the Audit Committee shall include the following:

(a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

(b) Recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;

(c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

(d) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;

(e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;

ii. Changes, if any, in accounting policies and practices and reasons for the same;

iii. Major accounting entries involving estimates based on the exercise of judgment by management;

iv. Significant adjustments made in the financial statements arising out of audit findings;

v. Compliance with listing and other legal requirements relating to financial statements;

vi. Disclosure of any related party transactions; and

vii. Qualifications and modified opinions in the draft audit report.

(f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(g) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

(h) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(i) Scrutiny of inter-corporate loans and investments;

(j) Valuation of undertakings or assets of the Company, wherever it is necessary;

(k) Evaluation of internal financial controls and risk management systems;

(l) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(m) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

(n) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(o) Discussing with internal auditors on any significant findings and follow up thereon;

(p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(q) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(r) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(s) Reviewing the functioning of the whistle blower mechanism;

(t) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

(u) ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

(v) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

(w) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(x) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (*formerly called the Employee Stock Option Plan Compensation Committee*) was constituted by our Board at its meeting held on March 20, 2007 and was last reconstituted by our Board at its meeting held on April 20, 2022. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently consists of:

(a) Ashim Kumar Banerjee (*Chairperson*);

(b) Monica Niranjan Doshi;

(c) Sandeep Murthy; and

Scope and terms of reference: The terms of reference of the Nomination and Remuneration Committee shall include the following:

(a) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

(b) For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

    (i) use the services of external agencies, if required,

    (ii) consider candidates from a wide range of backgrounds, having due regard to diversity, and

    (iii) consider the time commitments of the candidates;

(c) formulation of criteria for evaluation of the performance of independent directors and the Board;

(d) devising a policy on diversity of our Board;

(e) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;

(f) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(g) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;

(h) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

(i) recommending to the Board, all remuneration, in whatever form, payable to senior management;

(j) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(k) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

(l) analyzing, monitoring and reviewing various human resource and compensation matters;

(m) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(n) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

(o) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

Risk Management Committee

The Risk Management Committee was constituted by our Board at its meeting held on March 8, 2022. The Risk Management Committee is in compliance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations. The Risk Management Committee currently consists of:

(a) Kevin Christopher Phalen (*Chairperson*);

(b) Ajay Adiseshan; and

(c) Vishvanathan Subramanian.

The Risk Management Committee is authorised to perform the following functions:

(a) Formulating a detailed risk management policy which shall include:

    (i) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    (ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

(iii) Business continuity plan;

(b) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

(g) Coordinating its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors; and

(h) Such other terms of reference and activities as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations or other applicable law.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board at its meeting held on March 8, 2022. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

(a) Ashim Kumar Banerjee (*Chairperson*);

(b) Ajay Adiseshan;

(c) Sandeep Murthy; and

(d) Kevin Christopher Phalen.

Scope and terms of reference: The Stakeholders' Relationship Committee shall be responsible for, among other things, the following:

(a) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

(b) Review of measures taken for effective exercise of voting rights by shareholders;

(c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

(d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(e) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(f) To approve, register, refuse to register transfer or transmission of shares and other securities;

(g) To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

(h) Allotment and listing of shares;

(i) To authorize affixation of common seal of the Company;

(j) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

(k) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

(l) To dematerialize or rematerialize the issued shares;

(m) Ensure proper and timely attendance and redressal of investor queries and grievances;

(n) Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and

(o) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

(p) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

In addition to the above, our Board has also constituted the IPO Committee.

Management Organisation Structure

Key Managerial Personnel

In addition to Ajay Adiseshan, our Chairman and Managing Director, and Vishvanathan Subramanian, Whole-time Director and Chief Financial Officer, the details of the other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below. For details of Ajay Adiseshan, our Chairman and Managing Director, and Vishvanathan Subramanian, Whole-time Director and Chief Financial Officer, see "- *Brief Profiles of the Directors*" on page 196.

Rakesh Khanna, is the chief commercial officer of our Company and employed with PayMate LLC. He joined PayMate LLC on January 1, 2022. In his current role, he is responsible for developing business plans including geographical expansions. He is also responsible for implementing and maintaining sales processes designed to achieve specific sales objectives. He holds a bachelor of arts (honours course) degree in economics from the University of Delhi and a post graduate diploma in business management (specialisation in marketing) from FORE School of Management, New Delhi. He started his career with GE Countrywide (GE Capital) in India, and subsequently worked with GE Capital International Services in their Chicago office and with GE Life, in their office in the United Kingdom, and has also led the receivables services and BBTL (Borrowing Trade Based Loans) at Standard Chartered Bank. Prior to joining PayMate LLC, he has also worked at Visa Middle East FZ LLC, where he was the senior director commercial - CEMEA. He received a compensation of ₹8.20 million in Fiscal 2022.

Mahesh Sharma, is the senior vice president (information systems and security) of our Company. He joined our Company on May 28, 2007. In his current role in our Company, he is, amongst others, responsible for assessing issues regarding information systems and creating manageable solutions. As part of the leadership team, he is also responsible for prioritizing the objectives and implementing strategies to achieve our Company's initiatives. He holds a diploma in electronics and communication engineering from the State Board of Technical Education,

Haryana and a post graduate diploma in information technology from Symbiosis Centre for Distance Learning. Prior to joining our Company, he worked at IBM Global Services India Private Limited as head of their IT department in Mumbai. He has also previously worked at Ingenero Technologies (India) Private Limited, VFS (India) Private Limited, Escotel Mobile Communications Limited. He received a compensation of ₹7.43 million in Fiscal 2022.

Sadanand Monappa Moily, is the senior vice president (finance and compliance) of our Company. He joined our Company on June 4, 2007. In his current role in our Company, he is, amongst others, responsible for developing financial strategy, including risk minimisation plans, opportunity forecasting and providing investment advice. He has passed the examination for the bachelor's degree in commerce from the University of Mumbai and is also a qualified chartered accountant. Prior to joining our Company, he was associated with Ramani Hotels Limited and 4004 Incorporated. He received a compensation of ₹6.03 million in Fiscal 2022.

Ashutosh Verma, is the senior vice president - product management of our Company. He joined our Company on June 23, 2014. In his current role in our Company, he is, amongst others, responsible for the management of the lifecycle of all products of our Company, *i.e.* from the concept to their launch. He also leads, manages and mentors the team of product managers, developers and related personnel. He holds a post graduate diploma in business management from Institute of Management Technology, Ghaziabad and a bachelor's degree in arts from Osmania University, Hyderabad. Prior to joining our Company, he has worked in the Gaana.com team of Times Internet Limited where he was chief manager (product), and has also been associated with Reuters India Private Limited, OnMobile Global Limited, Jataayu Software (P) Limited and erstwhile Hutchison Essar Telecom Limited. He received a compensation of ₹8.72 million in Fiscal 2022.

Mangesh Kulkarni, is the senior vice president (software engineering) of our Company. He joined our Company on August 24, 2017. In his current role in our Company, he is, amongst others, responsible for leading the strategy for technology platforms, and developing external relationships and partnerships. He holds a bachelor's degree in engineering (mechanical) from University of Pune. Prior to joining our Company, he was the head (product development and platform) at Trimax IT Infrastructure & Services Limited and has also been associated with Decimal Factor BPO Private Limited, My Mobile Payments Limited, and Real Team Systems Private Limited. He received a compensation of ₹6.73 million in Fiscal 2022.

Nanda Harish, is the general legal counsel and Company Secretary and Compliance Officer of our Company. She joined our Company on May 9, 2018. In her current role in our Company, she is responsible for, amongst others, providing legal advice and strategies to our senior management and our Board, reviewing and negotiating legal contracts with customers, service providers and partners. She is also responsible for corporate governance and intellectual property rights portfolio management. She holds a bachelor's degree in law from University of Mumbai and has been admitted as an associate of the Institute of Company Secretaries of India. Prior to joining our Company, she was associated with Paypal India Private Limited as their manager, legal counsel-3. She received a compensation of ₹7.55 million in Fiscal 2022.

Nilesh Dadpe, is the vice president (sales) in the business development department of our Company. He joined our Company on May 20, 2019. In his current role in our Company, he is, amongst others, responsible for leading the growth in transaction processing (payment) volumes, business revenues, organization profitability and margins. He leads all regional sales, pre-sales and customer service teams responsible for client acquisition and servicing/ monetisation along with identifying unique market opportunities. He holds a post graduate diploma in business administration from Indian Education Society's Core Competence Development Centre of Management Studies and has passed the examination for a bachelor's degree in commerce from University of Mumbai. Prior to joining our Company, he was the zonal manager - client acquisition at IndiaMART InterMESH Limited, and has been associated with SMERA Ratings Limited, GE Money Financial Services Limited and Kotak Mahindra Prime Limited. He received a compensation of ₹6.79 million in Fiscal 2022.

Ashwin Shenoy, is the vice president - sales of our Company. He joined our Company on May 22, 2019. In his current role in our Company, he is, amongst others, responsible for identifying new sales opportunities and building client relationships. He is also responsible for identifying new geographies for launch of our business and contributes to the overall strategic planning and budgeting of our Company. He holds a bachelor's degree in engineering (computer engineering) from University of Mumbai and a post graduate diploma in management from T.A. Pai Management Institute. Prior to joining our Company, he served as the assistant vice president at Manipal Technologies Limited and has also been associated with Datamatics Financial Services Limited and Tata Capital Limited. He received a compensation of ₹6.19 million in Fiscal 2022.

Dean Gonsalves, is the senior vice president (design and innovation) of our Company. He joined our Company on August 1, 2019. In his current role in our Company, he is responsible for leading innovation initiatives, including the development of an innovation framework and ensuring successful transition of incubation models into our business. He also leads our Company's product/ curriculum development strategy in alignment with our business goals, desired member experience, feedback and overall market opportunity. He has passed the higher secondary certificate examination conducted by the Maharashtra State Board of Secondary and Higher Secondary Education. Prior to joining our Company, he was a graphic visualiser cum designer at Purple Image Technologies Private Limited, associate creative director at Indigo Systems & Technology Consulting (l) Private Limited and senior vice president – products at Global Delight Technologies Private Limited. He received a compensation of ₹7.13 million in Fiscal 2022.

Rajat Yadav, is the chief of staff of our Company. He joined our Company on November 1, 2019. In his current role in our Company, he is responsible for collaborating with executives and team members across all departments to overcome challenges and he also leads strategic planning and innovations in our Company. He holds a bachelor's degree in technology (civil engineering) from Indian Institute of Technology, Madras. He was a promoter shareholder of Zaitech, which was acquired by our Company pursuant to the 2020 Scheme. He received a compensation of ₹4.50 million in Fiscal 2022.

Status of the Key Managerial Personnel

Except for Rakesh Khanna, who is a permanent employee of our Subsidiary, PayMate LLC, all the Key Managerial Personnel are permanent employees of our Company.

Relationship among the Key Managerial Personnel

None of the Key Managerial Personnel are related to each other.

Bonus or profit sharing plan for the Key Managerial Personnel

Our Company does not have any bonus or profit sharing plan for the Key Managerial Personnel.

Shareholding of the Key Managerial Personnel

Except as disclosed with respect to Ajay Adiseshan, our Chairman and Managing Director, and Vishvanathan Subramanian, Whole-time Director and Chief Financial Officer under "- *Shareholding of the Directors*" on page 197 above and as disclosed below, none of the Key Managerial Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Key Managerial Personnel	Equity Shares held
1.	Rajat Yadav	955,830

Service Contracts with the Key Managerial Personnel

Other than statutory benefits payable upon termination of employment, none of our Key Managerial Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Interest of the Key Managerial Personnel

Our Key Managerial Personnel do not have any interests in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company; and (ii) the Equity Shares and employee stock options held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding. For details, see "- *Shareholding of the Key Managerial Personnel*" and "*Capital Structure – Notes to Capital Structure – Employee Stock Option Plan of our Company*" on pages 206 and 95.

There is no contingent or deferred compensation accrued for Fiscal 2022 and payable to the Key Managerial Personnel.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of the Key Managerial Personnel have been selected pursuant to any arrangement or understanding with the major Shareholders, customers, suppliers or any other person.

Changes in the Key Managerial Personnel during the last three years

The changes in the Key Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name	Date	Reason
Rakesh Khanna	January 1, 2022	Appointment as chief commercial officer
Vishvanathan Subramanian	September 15, 2021	Appointment as CFO
Rajat Yadav	November 1, 2019	Appointment as head (credit)
Dean Gonsalves	August 1, 2019	Appointment as senior vice president (design and innovation)

Employee stock option and stock purchase schemes

For details of the employee stock option plan, see "*Capital Structure – Notes to Capital Structure – Employee Stock Option Plan of our Company*" on page 95.

Payment or Benefit to officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment any employee stock options, for services rendered as officers of our Company, dividend that may be payable in their capacity as Shareholders, and as disclosed in "*Financial Statements*" on page 214.

PROMOTERS AND PROMOTER GROUP

Ajay Adiseshan and Vishvanathan Subramanian are the promoters of our Company. As on the date of this Draft Red Herring Prospectus, the Promoters hold an aggregate of 33,907,050 Equity Shares, comprising 58.99% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company on a fully diluted basis. For details, see "*Capital Structure – Notes to Capital Structure - Details of Equity Shareholding of our Promoters and members of the Promoter Group in our Company"* on page 90.

Details of the Promoters

Ajay Adiseshan born on August 31, 1970, aged 51 years, is a citizen of India. He resides at 601, Resham Corner, Of 23 and 29th Road, Bandra West, Mumbai 400 050, Maharashtra, India. For further details, see "*Our Management – Brief profiles of Directors*" on page 196.

His PAN is ADOPA8983B.

Vishvanathan Subramanian born on September 28, 1963, aged 58 years, is a citizen of India. He resides at A-13/4, Sriram Nagar, S. V. Road, Andheri West, Mumbai 400 058, Maharashtra, India. For further details, see "*Our Management – Brief profiles of Directors*" on page 196.

His PAN is AAJPS1563R.

Our Promoters do not have any other ventures, except for Bloom Venture 1 LLP and Saucam Foundation and to the extent disclosed in "*Our Management"* on page 194.

Our Company confirms that the PAN, bank account numbers, Aadhar card numbers, driving licence numbers and passport numbers of the Promoters shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Details regarding change in control of our Company

While there has not been any change in the control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus, Vishvanathan Subramanian has also been identified as a promoter of our Company (alongside our pre-existing Promoter, Ajay Adiseshan) pursuant to resolutions passed by our Board on October 6, 2021 and by our Shareholders on October 11, 2021.

Interests of the Promoters

i. The Promoters are interested in our Company to the extent they are promoters of our Company and to the extent of their shareholding in our Company and dividend payable, if any, and other distributions in respect of the Equity Shares held by them. For further details of their interests, see "*Management – Interest of our Directors*" on page 198.

ii. The Promoters are also interested in our Company in their capacity as Directors and KMPs. For details of the terms of their appointment, see "*Our Management – Terms of Appointment of the Executive Directors*" on page 197.

iii. Other than as disclosed below, the Promoters have no interest in any property acquired in the three years

preceding the date of this Draft Red Herring Prospectus or is proposed to be acquired by our Company or in any transaction in acquisition of land, construction of building and supply of machinery, etc.:

On June 7, 2019, through a patent assignment agreement, patent number 219427 – "*System for facilitating a payment through a mobile communication device*" was unconditionally and irrevocably transferred by Ajay Adiseshan, one of our Promoters, to our Company for a consideration of ₹1,000 only.

iv. No sums have been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them as directors or otherwise for services rendered by such Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Payment or benefits to our Promoters or the members of our Promoter Group

Except as stated otherwise in *"Financial Statements – 29. Related party transactions"* on page 259, no amount or benefits have been paid or given to our Promoters or the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or the members of our Promoter Group.

Material guarantees given by the Promoters to third parties with respect to Equity Shares

As on the date of this Draft Red Herring Prospectus, the Promoters have not given any material guarantees to any third party with respect to the Equity Shares.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Promoter Group

The individuals forming a part of our Promoter Group are as follows:

Sr. No.	Name of Promoter	Names of individuals	Relationship
1.	Ajay Adiseshan	G. Adhiseshann	Father
		Gita Adiseshan	Mother
		Bernadine Fernandes	Spouse
		Kaushalya Adiseshan	Sister
		Samuel Fernandes	Spouse's brother
		Judy Fernandes	Spouse's sister
2.	Vishvanathan Subramanian	Meena Subramanian	Mother
		Uma Vishvanathan	Spouse
		Kailasanathan Subramanian	Brother
		Uma Balasubramanian	Sister
		Shivank Vishvanathan	Son
		Anjana Vishvanathan	Daughter
		Lakshmi Krishnasubbu	Spouse's mother
		Usha Ramaseshan	Spouse's sister

The entities forming a part of our Promoter Group are as follows:

1. Bloom Ventures;
2. MR Ocean Farms Private Limited;
3. Saucam Foundation;
4. Parsn Urban Development Private Limited;
5. Parsn Foundation Private Limited;
6. Topdeck Club Private Limited;

7. Parsn Laboratories Private Limited;

8. Webresource Private Limited;

9. Bloom Venture 1 LLP;

10. Real Value;

11. GKU Concern;

12. Garden Home;

13. Sesh Nestle;

14. Highland Glen;

15. Parsn Fifty;

16. Warehousing and Storage Enterprise; and

17. Conventions.

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations and pursuant to the resolution dated May 25, 2022 passed by the Board, the group companies shall include (i) the companies (other than the Subsidiaries) with which there were related party transactions as per the Restated Financial Statements during the nine month period ended December 31, 2021 and Fiscals 2021, 2020 and 2019; and (ii) such companies (other than the Subsidiaries) with which there were related party transactions post the period covered in the Restated Financial Statements.

Accordingly, the Board has identified Bloom Ventures as our Group Company.

Details of the Group Company

Bloom Ventures

Corporate information

Bloom Ventures was incorporated as a private limited company on March 28, 2011 under the Companies Act, 1956 with the RoC. Its registered office is situated at 7, Ramjanki, 356 Linking Road, Khar West, Mumbai 400 052, Maharashtra, India.

Financial Information

As required under the SEBI ICDR Regulations, the financial information based on the audited standalone financial statements of Bloom Ventures for Fiscals 2021, 2020 and 2019 is available on the website of our Company since Bloom Ventures does not have a separate website. Such financial information is available at https://paymate.in/investorRelations.html.

Our Company has provided a link to this website solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the website given above should not be relied upon or used as a basis for any investment decision.

Nature and extent of interest of Group Company

In the promotion of our Company

Our Group Company do not have any interest in the promotion of our Company and do not hold any Equity Shares.

In the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company

Our Group Company is not interested in the properties (i) acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus; or (ii) proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

In the transactions for acquisition of land, construction of building and supply of machinery, etc.

Our Group Company is not interested in the transactions for acquisition of land, construction of building and supply of machinery, etc. entered into by our Company.

Related business transactions within our group and significance on the financial performance of our Company

Except the transactions disclosed in "*Financial Statements – 29. Related party transactions*" on page 259, there are no other related business transactions between our Company and the Group Company.

Common pursuits

Except for PayMate LLC, which is engaged in the business of providing payment services through the PayMate platform, there are no common pursuits between our Company, Subsidiaries and Group Company. As a result of such common pursuit, there is no conflict of interest between our Company and PayMate LLC as its business is synergistic with the business of our Company.

Business and other interests

Our Group Company and Subsidiaries do not have or currently propose to have any business or other interest in our Company, except as otherwise disclosed in "*Financial Statements – 29. Related party transactions*", on page 159.

Litigation involving our Group Company

There is no litigation involving our Group Company which may have a material impact on our Company.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules notified thereunder and the dividend distribution policy of our Company may be reviewed and amended periodically by our Board in accordance with the same. The dividend distribution policy of our Company was approved and adopted by our Board on May 10, 2022. The dividend, if any, will depend on a number of factors including, but not limited to, profits earned and available for distribution during the relevant Fiscal, accumulated reserves including retained earnings, expected future capital/ expenditure and working capital requirements, organic growth plans/ expansions or modernisation of existing businesses, proposed long-term investment, capital restructuring, debt reduction, crystallization of contingent liabilities, liquidity and return ratios, minimum cash required for contingencies or unforeseen events, cash flows and current and projected cash balance, and external factors, including but not limited to the macro-economic environment and market conditions, regulatory changes, technological changes and other factors like statutory and contractual restrictions.

Our Company may not distribute a dividend/ distribute a reduced quantum of dividend under certain circumstances including but not limited to absence or inadequacy of profits/ cash balances, adverse market conditions, large forthcoming capital requirement, any regulatory restriction placed on our Company or if our Board at its discretion views it to be prudent to conserve capital for any exigencies.

We have not declared and paid any dividends on the Equity Shares, FCPS and NCPCCPS in any of the three Financial Years preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus.

SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Particulars	Page
Examination report of the Statutory Auditors on the Restated Financial Statements	215
Restated Financial Statements	220

Examination Report of Independent Auditor on the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 and Restated Consolidated Statement of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of Changes in Equity, Restated Consolidated Statement of Cash Flows along with the Statement of Significant Accounting Policies and other explanatory information for nine months period ended December 31, 2021 and years ended March 31, 2021, March 31, 2020 and March 31, 2019 of PayMate India Limited (formerly known as PayMate India Private Limited) (collectively, the "Restated Consolidated Financial Information")

The Board of Directors
PayMate India Limited
(Formerly known as PayMate India Private Limited)
NO.111, 1ST FLOOR, 'A' WING, SUNDERVILLA S.V.ROAD,
SANTACRUZ (WEST) MUMBAI MH 400054 IN

Dear Sirs/ Madams,

1. We, M S K A & Associates, have examined the Restated Consolidated Financial Information of **PayMate India Limited** (formerly known as PayMate India Private Limited) (the "Company" or the Holding Company or the "Issuer") and its subsidiary (the Company and its subsidiary together referred to as the "Group") which comprises of Restated Consolidated Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for the nine months period ended December 31, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Significant Accounting Policies and other explanatory Information (collectively referred to as the "Restated Consolidated Financial Information"), annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value of Re. 1 each ("Offer"). The Restated Consolidated Financial Information, as approved by the Board of Directors of the Company (the "Board of Directors") at their meeting held on May 25, 2022, have been prepared by the Company in accordance with the requirements of:

   a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act").

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors are responsible for the preparation of Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (Collectively "the Stock Exchanges") in connection with the Offer. The Restated Consolidated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2.1(i) of Annexure V to the Restated Consolidated Financial Information. The Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors of the Company are also responsible for identifying and ensuring that the Group complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

3. We have examined the Restated Consolidated Financial Information taking into consideration:

   a) the terms of reference and our engagement agreed with you vide our engagement letter dated January 18, 2021, in connection with the Offer;

   b) the Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

c) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

d) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. The Restated Consolidated Financial Information have been compiled by the management from:

a) Audited Special Purpose Interim Consolidated Ind AS Financial Statements of the Group as at and for the nine months period ended December 31, 2021, prepared in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 25, 2022;

b) Audited Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2021, which were prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on May 25, 2022; and

c) Audited Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the years ended March 31, 2020 and March 31, 2019 prepared in accordance with the basis of preparation, as set out in Note 2.1(i) of Annexure V to the Restated Consolidated Financial Information, which have been approved by the Board of Directors at their meeting held on May 25, 2022.

5. For the purpose of our examination, we have relied on:

a) Auditors' reports issued by us dated May 25, 2022 on the Special Purpose Interim Consolidated Ind AS Financial Statements of the Group as at and for the nine months period ended December 31, 2021 ("2021 Audited Interim Consolidated Ind AS Financial Statements") as referred in Para 4 (a) above; and

b) Reports issued by M/s. RVKS & Associates, Chartered Accountants ('Chartered Accountant') dated May 25, 2022 on the Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2021 and Special Purpose Consolidated Financial Statements of the Group as at and for the years ended March 31, 2020 and March 31, 2019 (together referred as "2021/2020/2019 Audited Consolidated Financial Statements"), as referred in Para 4 (b) & 4 (c) above respectively.

c) The special purpose audit for years ended March 31, 2021, March 31, 2020 & March 31, 2019 were conducted by the Chartered Accountant as referred in paragraph 5(b) above and accordingly reliance is placed on the Examination report dated May 25, 2022 on the Restated Consolidated Statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and the restated Consolidated Statement of profit and loss (including other comprehensive income), restated Consolidated statement of cash flows, restated Consolidated statement of changes in equity, the Statement of significant accounting policies and other explanatory information for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 ("Restated Prior Period Consolidated Financial Information") issued by the Chartered Accountant. Our examination report insofar as it relates to the said years is based solely on the report submitted by the Chartered Accountant. They have also confirmed that the Restated Prior Period Consolidated Financial Information:

i) have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended

December 31, 2021, as more fully described in Note 2.1(i) of Annexure V to the Restated Consolidated Financial Information;

ii) there are no qualifications in the auditor's reports issued on the Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2021 and Special Purpose Consolidated Financial Statements of the Group as at and for the years ended March 31, 2020 and March 31, 2019 which require any adjustments to the Restated Prior Period Consolidated Financial Information; and

iii) Restated Prior Period Consolidated Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

6. Our audit report referred to in Para 5 (a) above included an Emphasis of Matter as follows:

We draw attention to Note 38 of the accompanying Special Purpose Interim Consolidated Ind AS Financial Statements, which explains that the Consolidated IGAAP financial statements for year ended March 31, 2020 were not placed before the shareholders for adoption in the Annual General Meeting and Consolidated IGAAP financial statements for the Year ended March 31,2021 were not prepared therefore could neither be subjected to audit nor could be placed for approval / adoption by the board of directors and shareholders in the annual general meeting. The Company has filed an application vide letter dated May 13, 2022, with the Registrar of Companies, Mumbai requesting for refiling of the Annual Returns for the said years, with inclusion of the audited consolidated IGAAP financial statements, in terms of the remediation plan. The Company has made provision for the estimated liability. Further, Basis legal opinion received from an independent legal counsel and Company's internal assessment, management believes that there will be no further material impact of the same.

Our opinion is not modified in respect of this matter.

7. Our audit report referred to in Para 5 (a) above included other matter paragraph as follows:

We did not audit the financial information of a subsidiary, located outside India, whose share of total assets, total revenues, net cash inflows / (outflows) included in the 2021 Audited Interim Consolidated Ind AS Financial Statements, as tabulated below, prepared by the management and our opinion on the 2021 Audited Interim Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the management financials. As informed to us by the management, this financial information is not required to be audited under the relevant local laws.

Rs. in million

Name of the entity	Nature of the relationship	Nine months period ended	Total assets	Total revenues	Net cash inflow/ (outflows)
PayMate Payments Services Provider LLC	Subsidiary	December 31, 2021	7.29	0.84	(0.23)

Further, this subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country. The Holding Company's management has converted the financial statement of this subsidiary, located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. Our opinion on the 2021 Audited Interim Consolidated Ind AS Financial Statements as at and for the nine months ended December 31, 2021 in so far as it relates to the balances and affairs of this subsidiary located outside India, is based on the management financials and the conversion adjustments prepared by the management of the Holding Company. In our opinion and according to the information and explanations given to us by the management, this management financials of the subsidiary is not material to the Group.

8. Audit report on 2021 Audited Consolidated Financial Statements & 2020 Audited Consolidated Financial Statements issued by Chartered Accountant as referred to in Para 5 (b) above included Emphasis of Matter paragraph in respect of the matter specified in Para 6 above.

9. Audit report on 2021/2020/2019 Audited Consolidated Financial Statements issued by Chartered Accountant as referred to in Para 5 (b) above included Other Matter paragraph as follows:

We did not audit the financial information of a subsidiary, located outside India, whose share of total assets, total revenues, net cash inflows / (outflows) included in the 2021/2020/2019 Audited Consolidated Financial Statements, for the relevant years as tabulated below, prepared by the management and our opinion on the 2021/2020/2019 Audited Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the management financials. As informed to us by the management, these financial information are not required to be audited under the relevant local laws.

Rs. in million

Name of the entity	Nature of the relationship	Year ended	Total assets	Total revenues	Net cash inflow/ (outflows)
PayMate Payments Services Provider LLC	Subsidiary	March 31, 2021	41.52	Nil	(6.42)
	Subsidiary	March 31, 2020	9.83	Nil	9.54
	Subsidiary	March 31, 2019	Nil	Nil	Nil

Further, this subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country. The Holding Company's management has converted the financial statement of this subsidiary, located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. Our opinion on the 2021/2020/2019 Audited Consolidated Financial Statements in so far as it relates to the balances and affairs of this subsidiary located outside India, is based on the management financials and the conversion adjustments prepared by the management of the Holding Company. In our opinion and according to the information and explanations given to us by the management, these management financials of the subsidiary are not material to the Group.

10. Based on the above and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the Chartered Accountant for the respective years, we report that:

    i) Restated Consolidated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended December 31, 2021, as more fully described in Note 2.1(i) of Annexure V to the Restated Consolidated Financial Information;

    ii) there are no qualifications in the auditor's or Chartered Accountant's reports which require any adjustments to the Restated Consolidated Financial Information; and

    iii) Restated Consolidated Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

11. We have not audited any financial statements of the Group as at any date or for any period subsequent to December 31, 2021. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as at any date or for any period subsequent to December 31, 2021.

12. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements, as mentioned in paragraph 5 above.

13. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us or by the Chartered Accountant, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

14. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

15. Our report is intended solely for use of the Board of Directors and for inclusion in the DRHP to be filed with the SEBI, BSE and NSE, as applicable in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

_____
Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 22205226AJQPPR6258

Place: Hyderabad
Date: May 25, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure I
Restated Consolidated Statement of Assets and Liabilities
(All amounts are Rs. in Millions, unless stated otherwise)

	Particulars	Note No.	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	ASSETS					
I	**Non-current assets**					
	(a) Property, Plant and Equipment	3	5.55	6.13	9.57	5.65
	(b) Intangible assets	3	32.87	43.83	58.51	0.15
	(c) Right of use assets	4	13.95	17.44	22.09	26.74
	(d) Financial assets					
	(i) Other financial assets	5	10.94	6.99	6.31	10.96
	(e) Other non-current assets	6	2.18	46.88	34.24	11.72
	Total Non - current assets		**65.49**	**121.27**	**130.72**	**55.22**
II	**Current assets**					
	(a) Financial assets					
	(i) Trade receivables	7	67.79	8.05	13.33	5.95
	(ii) Cash and cash equivalents	8	88.21	30.15	106.76	8.18
	(iii) Bank balances other than (ii) above	9	6.72	10.31	64.42	0.70
	(iv) Other financial assets	10	241.38	29.00	55.71	3.00
	(b) Other current assets	11	112.42	39.47	42.80	15.74
	Total Current assets		**516.52**	**116.98**	**283.02**	**33.57**
	Total assets (I+II)		**582.01**	**238.25**	**413.74**	**88.79**
	EQUITY AND LIABILITIES					
I	**Equity**					
	(a) Equity share capital	12 (a)	56.13	0.35	0.34	0.34
	(b) Instruments in the nature of equity	12 (b)	1,695.02	1,413.81	1,390.70	826.52
	(c) Other equity	13	(1,357.82)	(1,242.11)	(1,042.08)	(864.93)
	Total equity		**393.33**	**172.05**	**348.96**	**(38.07)**
	LIABILITIES					
II	**Non-current liabilities**					
	(a) Financial liabilities					
	(i) Lease liabilities	4	11.59	15.33	19.17	22.07
	(b) Provisions	14	10.58	9.40	7.95	4.79
	Total Non - Current liabilities		**22.17**	**24.73**	**27.12**	**26.86**
III	**Current liabilities**					
	(a) Financial liabilities					
	(i) Short-term borrowings	15	-	-	-	31.34
	(ii) Lease liabilities	4	4.92	3.84	2.90	3.55
	(iii) Trade payables	16				
	- Total outstanding dues of Micro enterprises and small enterprises; and		-	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises		104.04	19.46	21.57	27.60
	(b) Provisions	17	0.82	2.23	1.00	0.90
	(c) Other current liabilities	18	56.73	15.94	12.19	36.61
	Total Current liabilities		**166.51**	**41.47**	**37.66**	**100.00**
	Total Equity and Liabilities (I+II+III)		**582.01**	**238.25**	**413.74**	**88.79**

Note: The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Information in Annexure V, Statement of Adjustment to Restated Audited Consolidated Financial Statements in Annexure VI and Notes to Restated Consolidated Financial Information in Annexure VII.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board of Directors
PayMate India Limited

Ananthakrishnan Govindan
Partner
Membership No: 205226

Ajay Adiseshan
Managing Director
DIN: 00099023

Vishvanathan Subramanian
Director and Chief Financial Officer
DIN: 02153545

Nanda Harish
Company Secretary (ACS: 15495)

Place: Hyderabad
Date : May 25, 2022

Place: Mumbai
Date : May 25, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure II
Restated Consolidated Statement of Profit and Loss
(All amounts are Rs. in Millions, unless stated otherwise)

	Particulars	Note No.	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenue from operations	19	8,434.38	3,484.00	2,161.39	2,358.50
II	Other Income	20	2.80	6.23	12.24	1.85
III	**Total Revenue (I + II)**		**8,437.18**	**3,490.23**	**2,173.63**	**2,360.35**
IV	**EXPENSES**					
	Cost of services	21	8,448.84	3,485.08	2,206.00	2,304.74
	Employee benefit expense	22	348.10	224.13	143.07	70.71
	Finance costs	23	1.44	2.25	5.96	3.49
	Depreciation and amortisation expense	3	17.04	22.90	22.08	6.99
	Other expenses	24	49.56	36.99	74.20	54.03
	Total Expenses (IV)		**8,864.98**	**3,771.35**	**2,451.31**	**2,439.96**
V	**Profit/(Loss) before tax (III - IV)**		**(427.80)**	**(281.12)**	**(277.68)**	**(79.61)**
VI	Tax Expense					
	Current tax		-	-	-	-
	Deferred tax		-	-	-	-
	Total tax expense		**-**	**-**	**-**	**-**
VII	**Profit/(Loss) for the period/year (V + VI)**		**(427.80)**	**(281.12)**	**(277.68)**	**(79.61)**
VIII	**Other comprehensive income/(loss)**		**3.34**	**0.52**	**(1.54)**	**(0.98)**
(i)	Items that will not be reclassified to profit or loss					-
	(a) Remeasurements of the defined benefit liabilities / (asset)		3.34	0.72	(1.43)	(0.98)
	(b) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
(ii)	Items that may be reclassified to profit or loss		-	-	-	-
	(a) Exchange differences on translation of financial statements of foreign operations		(0.00)	(0.20)	(0.11)	-
IX	**Total comprehensive income/(Loss) for the period/year (VII +VIII)**		**(424.46)**	**(280.60)**	**(279.22)**	**(80.59)**
X	**Earnings/(loss) per equity share:**	30				
	Basic		(8.00)	(5.41)	(5.41)	(1.58)
	Diluted		(8.00)	(5.41)	(5.41)	(1.58)

`Note: The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Information in Annexure V, Statement of Restated Adjustment to Audited Consolidated Financial Statements in Annexure VI and Notes to Restated Consolidated Financial Information in Annexure VII.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board of Directors
PayMate India Limited

Ananthakrishnan Govindan
Partner
Membership No: 205226

Ajay Adiseshan
Managing Director
DIN: 00099023

Vishvanathan Subramanian
Director and Chief Financial Officer
DIN: 02153545

Nanda Harish
Company Secretary (ACS: 15495)

Place: Hyderabad
Date : May 25, 2022

Place: Mumbai
Date : May 25, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure IV
Restated Consolidated Cash Flow Statement
(All amounts are Rs. in Millions, unless stated otherwise)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES				
Loss for the year	(427.80)	(281.12)	(277.68)	(79.61)
Adjustments for:				
Depreciation and amortisation expenses	17.04	22.90	22.08	6.99
Finance costs	1.44	2.20	2.56	2.95
Interest income	(2.80)	(4.38)	(7.60)	(1.48)
Provision for Gratuity	3.25	3.39	1.79	1.13
Bad debt written off	7.69	-	2.40	0.13
Share Based payments to employees	171.72	103.69	7.89	0.65
Liabilities no longer required written back	-	(1.85)	(3.95)	(0.37)
Net unrealised exchange (gain) / loss	0.14	0.17	(0.69)	0.35
Operating loss before working capital changes	**(229.32)**	**(155.00)**	**(253.20)**	**(69.26)**
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(67.57)	5.11	(9.09)	(1.66)
Other financial assets	(225.97)	27.01	(52.65)	3.34
Other non-financial assets	(13.41)	(9.63)	(15.31)	(4.67)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	92.00	(0.26)	(2.08)	27.97
Provisions	(10.70)	(0.19)	(0.07)	(33.93)
Other non- financial liabilities	40.68	3.76	(24.41)	15.43
Cash used in operations	**(414.29)**	**(129.20)**	**(356.81)**	**(62.78)**
Net income tax (paid) / refunded	(12.00)	0.90	(34.28)	(9.52)
Net cash flow used in operating activities (A)	**(426.29)**	**(128.30)**	**(391.09)**	**(72.30)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property plant and equipment, including capital advances	(2.00)	(0.13)	(79.71)	(4.53)
(Investments)/Proceeds from bank deposits	5.35	54.22	(58.07)	(8.85)
Interest received	4.00	2.70	6.54	1.05
Net cash flow from / (used in) investing activities (B)	**7.35**	**56.79**	**(131.24)**	**(12.33)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of short term borrowings	-	-	(31.34)	(9.23)
Payment of Lease Liabilities	(4.10)	(3.88)	(3.17)	(2.84)
Payment of interest on lease liabilites	(1.44)	(1.22)	(2.94)	(2.91)
Issue of Share Capital	482.54	0.00	658.36	99.48
Finance costs paid	-	(0.01)	-	(2.95)
Net cash flow from / (used in) financing activities (C)	**477.00**	**(5.10)**	**620.91**	**81.55**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**58.06**	**(76.61)**	**98.58**	**(3.09)**
Add: Cash and cash equivalents at the beginning of the Period/year	30.15	106.76	8.18	11.27
Cash and cash equivalents at the end of the year	**88.21**	**30.15**	**106.76**	**8.18**
Cash and cash equivalents as per Balance Sheet (Refer note 8)	88.21	30.15	106.76	8.18

The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Information in Annexure V, Statement of Restated Adjustment to Audited Consolidated Financial Statements in Annexure VI and Notes to Restated Consolidated Financial Information in Annexure VII.

Note: The above Restated Consolidated Statement of Cash flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows ".

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board of Directors
PayMate India Limited

Ananthakrishnan Govindan
Partner
Membership No: 205226

Ajay Adiseshan
Managing Director
DIN: 00099023

Vishvanathan Subramanian
Director and Chief Financial Officer
DIN: 02153545

Nanda Harish
Company Secretary (ACS: 15495)

Place: Hyderabad
Date : May 25, 2022

Place: Mumbai
Date : May 25, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure III
Restated Consolidated Statement of Changes in Equity
(All amounts are Rs. in Millions, unless stated otherwise)

(a) Share Capital

Particulars	As at December 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(1) Equity share capital								
(i) Equity Shares of ₹ 1/- each with voting rights								
Opening balance	34,756	0.35	33,977	0.34	33,976	0.34	31,548	0.32
Add: Issue of shares	2,413	0.02	779	0.01	1	-	2,428	0.02
Add: Sub division of shares	3,34,521	-	-	-	-	-	-	-
Add: Issue of bonus shares	5,57,53,500	55.76	-	-	-	-	-	-
Closing balance	**5,61,25,190**	**56.13**	**34,756**	**0.35**	**33,977**	**0.34**	**33,976**	**0.34**
(2) Preference share capital								
(i) Preference Shares (Refer note 12(b))								
Opening balance	31,178	1,413.81	30,821	1,390.70	27,255	826.52	25,726	748.13
Add: Issue of shares	293	281.21	357	23.11	3,566	564.18	1,529	78.38
Closing balance	**31,471**	**1,695.02**	**31,178**	**1,413.81**	**30,821**	**1,390.70**	**27,255**	**826.51**

(b) Other equity

Particulars	Securities premium account	Retained earnings / (deficit)	Other comprehensive income	Foreign currency translation Reserve	Share options outstanding Account	Share Suspense Account	Share Warrant	Total other equity
Balance as at April 1, 2018	**51.71**	**(871.73)**	**0.20**	**-**	**13.76**	**-**	**-**	**(806.06)**
Profit/(loss) for the year	-	(79.61)	-	-	-	-	-	**(79.61)**
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	(0.98)	-	-	-	-	**(0.98)**
Addition to securities premium	21.07	-	-	-	-	-	-	**21.07**
Issue of equity shares on exercise of options	0.01	-	-	-	(0.01)	-	-	**-**
Share based payment to employees	-	-	-	-	0.65	-	-	**0.65**
Balance at the March 31, 2019	**72.79**	**(951.34)**	**(0.78)**	**-**	**14.40**	**-**	**-**	**(864.93)**
Balance as at April 1, 2019	**72.79**	**(951.34)**	**(0.78)**	**-**	**14.40**	**-**	**-**	**(864.93)**
Profit/(loss) for the year	-	(277.68)	-	-	-	-	-	**(277.68)**
Other comprehensive income / (losses)	-	-	-	(0.11)	-	-	-	**(0.11)**
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	(1.43)	-	-	-	-	**(1.43)**
Addition to securities premium	1.01	-	-	-	-	-	-	**1.01**
Issue of equity shares on exercise of options	-	-	-	-	-	-	-	**-**
Share based payment to employees	-	-	-	-	7.89	-	-	**7.89**
Issue of Share Warrant	-	-	-	-	-	-	19.50	**19.50**
Shares to be issued to settle Purchase price	-	-	-	-		73.67	-	**73.67**
Balance at the March 31, 2020	**73.80**	**(1,229.02)**	**(2.21)**	**(0.11)**	**22.29**	**73.67**	**19.50**	**(1,042.08)**

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure III
Restated Consolidated Statement of Changes in Equity
(All amounts are Rs. in Millions, unless stated otherwise)

(b) Other equity

Particulars	Securities premium account	Retained earnings / (deficit)	Other comprehensive income	Foreign currency translation Reserve	Share options outstanding Account	Share Suspense Account	Share Warrant	Total other equity
Balance as at April 1, 2020	**73.80**	**(1,229.02)**	**(2.21)**	**(0.11)**	**22.29**	**73.67**	**19.50**	**(1,042.08)**
Profit/(loss) for the year	-	(281.12)	-	-	-	-	-	**(281.12)**
Other comprehensive income / (losses)	-	-	-	(0.20)	-	-	-	**(0.20)**
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	0.72	-	-	-	-	**0.72**
Addition to securities premium	50.55	-	-	-	-	-	-	**50.55**
Share based payment to employees	-	-	-	-	103.69	-	-	**103.69**
Shares to be issued to settle Purchase price (refer note 3)	-	-	-	-	-	(73.67)	-	**(73.67)**
Balance at the March 31, 2021	**124.35**	**(1,510.14)**	**(1.49)**	**(0.31)**	**125.98**	**-**	**19.50**	**(1,242.11)**
Balance as at April 1, 2021	**124.35**	**(1,510.14)**	**(1.49)**	**(0.31)**	**125.98**	**-**	**19.50**	**(1,242.11)**
Profit/(loss) for the Period	-	(427.80)	-	-	-	-	-	(427.80)
Other comprehensive income / (losses)	-	-	-	-	-	-	-	-
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	3.34	-	-	-	-	3.34
Addition to securities premium	220.81	-	-	-	-	-	-	220.81
Issue of equity shares on exercise of options	8.52	-	-	-	(8.52)	-	(19.50)	(19.50)
Issue of Bonus Shares	(55.76)							(55.76)
Share based payment to employees	-	-	-	-	163.20	-	-	163.20
Balance at the December 31, 2021	**297.92**	**(1,937.94)**	**1.85**	**(0.31)**	**280.66**	**-**	**-**	**(1,357.82)**

Note: The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Information in Annexure V, Statement of Restated Adjustment to Audited Consolidated Financial Statements in Annexure VI and Notes to Restated Consolidated Financial Information in Annexure VII.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board of Directors
PayMate India Limited

Ananthakrishnan Govindan
Partner
Membership No: 205226

Ajay Adiseshan
Managing Director
DIN: 00099023

Vishvanathan Subramanian
Director and Chief Financial Officer
DIN: 02153545

Nanda Harish
Company Secretary (ACS: 15495)

Place: Hyderabad
Date : May 25, 2022

Place: Mumbai
Date : May 25, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure V
Summary of Significant Accounting Policies

1. Corporate Information

PayMate India Limited (formerly known as PayMate India Private Limited) (the Company/ Parent Company) together with its subsidiary referred as group, the principal activities of the Group consist of providing services in B2B payments for Enterprise and SME across supply chains. The PayMate platform provides a comprehensive digital workflow tied to payments which enable greater control and transparency along with better cash flows and an end to end reconciliation for a superior experience for Enterprise and SME in closed-loop supply chains.

The Parent Company incorporated under the provisions of the Companies Act, 2013 and its subsidiary have been incorporated under the UAE Regulations. The Parent Company was incorporated on May 12, 2006 and is having its registered office at No.111, 1st Floor, 'A' Wing, Sundervilla S.V.Road, Santacruz (West) Mumbai Maharashtra 400054 India.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of accounting and preparation of financial statements

(i) Statement of compliance & Basis for preparation

The Restated Consolidated Financial Information relates to the Group and has been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offer ("IPO") of equity shares of the Company (referred to as the "Issue"). The Restated Consolidated Financial Information comprise Restated Consolidated Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, March 31, 2020, and March 31, 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Cash Flow Statement, the Restated Consolidated Statement of Changes in Equity and Notes forming part of the Restated Consolidated Financial Information for the years/period ended December 31, 2021, March 31, 2021, March 31, 2020, and March 31, 2019(hereinafter collectively referred to as "Restated Consolidated Financial Information").

The Restated Consolidated Financial Information has been prepared by the Management of the Company
to comply in all material respects with the requirements of:
a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

The Restated Consolidated Financial Information have been compiled from:
I. Audited Special Purpose Interim Consolidated Ind AS Financial Statements of the Group as at and for the nine months period ended December 31, 2021 prepared in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other recognized accounting practices and policies generally accepted in India including the requirements of the Act, which has been approved by the Board of Directors at their meeting held on May 25, 2022;

II. Audited Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2021 prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other recognized accounting practices and policies generally accepted in India including the requirements of the Act, which has been approved by the Board of Directors at their meeting held on May 25, 2022; and

III. The Company has prepared the Special Purpose Consolidated Financial Statements as at and for the year ended 31 March 2020 and 31 March 2019 (the "Special Purpose Financial Statements") as per following basis, which have been approved by the Board of Directors at their meeting held on May 25, 2022.

The Audited Special Purpose Consolidated Financial Statements of the Company as at and for the year ended March 31, 2020 and March 31, 2019, have been prepared by the management of the Company in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Previous GAAP' or 'Indian GAAP') after giving effect to accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Indian Accounting Standards 101 'First-time Adoption of Indian Accounting Standards' (Ind AS 101) as initially adopted on transition date i.e. April 01, 2020. These Audited Special Purpose Consolidated Financial Statements prepared in accordance with the Ind AS, as described in this paragraph, have been approved by the Board of Directors on May 25, 2022.

In pursuance to general directions received from Securities and Exchange Board of India (SEBI) vide their email dated October 28, 2021 received by the BRLMs of the Company through Association of Investment Bankers of India (AIBI), as shared with us, these Special Purpose Consolidated Financial Statements have been prepared solely for the purpose of preparation of Restated Consolidated Financial Information for inclusion in Offer Documents in relation to the proposed IPO. As such these Special Purpose Consolidated Financial Statements are not suitable for any other purpose other than for the purpose of preparation of Restated Consolidated Financial Information and are also not financial statements prepared pursuant to any requirements under section 129 of the Companies Act, 2013, as amended.

The accounting policies have been consistently applied by the Holding Company in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of financial statements for the nine months period ended December 31, 2021. This Restated Consolidated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of board meeting held to approve and adopt the audited special purpose interim consolidated financial statements and audited special purpose consolidated financial statements as mentioned above.

The Restated Consolidated Financial Information have been prepared so as to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:

a. Adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place, recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;

b. Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the restated consolidated financial information of the Group for the period ended December 31, 2021 and the requirements of the SEBI Regulations, if any; and

c. The resultant impact of tax due to the aforesaid adjustments, if any.

(ii) Functional and presentation currency

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the Group's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

(iii) Basis of measurement

The Restated Consolidated Financial Information have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Net defined benefit (asset)/ liability : Fair value of plan assets less present value of defined benefit obligations
- Borrowings : Amortised cost using effective interest rate method
- Equity settled share based payments at grant date : Measured at fair value

(iv) Use of estimates and judgements

The preparation of the Restated Consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, such effects are disclosed in the notes to financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 27 – measurement of defined benefit obligations: key actuarial assumptions;
- Notes 25 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 07– impairment of financial assets;
- Note 03 - determining an asset's expected useful life and the expected residual value at the end of its life.
- Note 32 - Recognition of share based payment expenses

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 33 - Financial instruments

(vi) Principles of consolidation

a. Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:
(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.
(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
(i) The contractual arrangement with the other vote holders of the investee;
(ii) Rights arising from other contractual arrangements;
(iii) The Group's voting rights and potential voting rights;
(iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31 / period ended December 31.

b. Consolidation procedures:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Restated Consolidated Financial Statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

c. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.
Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d. Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:
(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.
(ii) Derecognises the carrying amount of any non-controlling interests.
(iii) Derecognises the cumulative translation differences recorded in equity.
(iv) Recognises the fair value of the consideration received.
(v) Recognises the fair value of any investment retained.
(vi) Recognises any surplus or deficit in profit or loss.
(vii) Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

e. Subsidiaries considered in the Restated Consolidated Financial Statements:

S.No	Name of the entity	Relationship	Country of Incorporation	Ownership Interest in %			
				December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
1	PayMate Inc	Subsidiary	USA	100%	100%	100%	100%
2	PayMate Inc Payments Services Provide LLC	Subsidiary	UAE	49%	49%	49%	49%

(vii) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when:
- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current

Liabilities

A liability is classified as a current when:
- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- Deferred tax assets/liabilities are classified as non-current.
- the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

a Revenue recognition

Sale of services

Revenue is measured based on the consideration specified in a contract with a customers net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amount collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to the customer. Revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.
Where the Group acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criterial described below must also be met before revenue is recognised. Typically, the Group has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Service Fee from Merchants:

The Group earns service fee from merchants and recognises such revenue when the control in services have been transferred by the Group i.e. as and when services have been provided by the Group. Such service fee is generally determined as a percentage of transaction value executed by the merchants.

The Group derives its revenue primarily from the Transaction Fees and related services and licensing income. The Group recognises revenue on transaction fees immediately upon completion of successful transaction and the collectability is reasonably assured. Revenue from licensing is recognized over the implementation period based upon the terms of the contract.

Recognition of dividend income, interest income
Dividend income is recognised in profit or loss on the date on which the Groups's right to receive payment is established.

Interest income is recognised using the effective interest rate method.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

b Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits.
Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an maturity of three months or less, which are subject to insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, for the purposes of the statement of cash flows, bank overdrafts which are repayable on demand form an integral part of an entity's cash management, accordingly, bank overdrafts are included as a component of cash and cash equivalents.

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 Group are segregated based on the available information.

d Taxes on income
Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i) Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
'- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.
Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

iii) Minimum Alternative Tax
Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 ("the IT Act") is recognised as current tax in the statement of Profit and Loss. The credit availed under the IT Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

The Taxation Laws (Amendment) Ordinance, 2019 ('Ordinance') was promulgated on September 20, 2019. The Ordinance has amended the Income Tax Act, 1961 and Finance Act, 2019 to inter-alia provide an option to domestic companies to pay income tax at a reduced tax of 22 percent plus applicable surcharge and cess with certain conditions to be met. The Group has opted to apply the provisions of section 115BAA fro 2022 to seek condonation and steps taken as mentioned below:
• Adoption of March 31, 2020 IGAAP consolidated financial statements in the ensuing annual general mee

e Property, Plant and Equipment

i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

ii) Depreciation

Depreciation is provided using the Straight-line Method over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

The Company, based on technical assessment and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Summary of the nature of Asset and estimated Useful life of the assets are as follows:

Computer & Software - 3-5 Years
Office Equipment - 5 Years
Furniture & Fittings - 10 Years
Leasehold Improvements - Over primary lease period or useful lige which ever is less

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

f Intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.
Intangible assets consist of Patents and other rights under licensing agreement.
Intangible assets are amortised on a straight-line basis over the period of its economic useful life.

Summary of the nature of intangibles and their estimated useful lives as follows:

Patents - 05 Years
Applications - 05 Years

g Business combination and Goodwill

i) Business combination

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognized in the statement of profit and loss.

ii) Goodwill

The excess of the cost of acquisition over the Group's share in the fair value of the acquiree's identifiable assets and liabilities is recognized as goodwill. If the excess is negative, a bargain purchase gain is recognized in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed off.

h Employee benefits

i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

iv) Share based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made. The grant date fair value of options granted to employees is recognised as employee expense with a corresponding increase in employee stock options reserve, over the period in which the eligibility conditions are fulfilled and the employees unconditionally become entitled to awards. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.t Bankers of India (AIBI), as shared with us, these Special Purpose Consolidated Financial Statements have been prepared solely for the

i Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the date of the transactions. Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the restated consolidated statement of profit and loss.

Foreign operations

The assets and liabilities of foreign operations, are translated into Indian rupees (INR), the functional currency of the Group at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.
Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

j Leases

Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group used the following practical expedients when applying Ind AS 116 :

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset: The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are dable period of a lease.on and steps taken as mentioned below:

- Adoption of March 31, 2020 IGAAP consolidated financial statements in the ensuing annual general meeting.
- Appointment (in the shareholders meeting) of an independent chartered accountant firm to conduct the audi

Lease Liability: The Group measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

k Borrowings and Borrowing cost

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

l Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

m Provision, contingent liabilities and contingent assets

i) Provision:

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for.Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

ii) Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

n Financial Instruments

A financial instrument is any contract that gives rise to a Financial Asset of one entity and Financial liability or equity instrument of another entity.

i) Initial Recognition and measurement

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:
- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities:
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

iii) Derecognition
Financial assets
A Financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting
Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

o Impairment of assets
i) Impairment of financial instruments
The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses
The Group applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:
i. Trade receivables
ii. Financial assets measured at amortised cost (other than trade receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii) Impairment of non-financial assets
The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

p Events after reporting date
Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

q Recent accounting pronouncements:
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Restated Consolidated Financial Information is required to be disclosed.

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure VI - Statement of Adjustments to Restated Consolidated Financial Information
(All amounts are Rs. in Millions, unless stated otherwise)

Statement of restatement adjustments

For the years ended March 31, 2021, March 31, 2020 and March 31, 2019, the Group prepared its Consolidated financial statements in accordance with accounting standards referred to in paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) notified under section 133 of the Companies Act, 2013. The Restated Consolidated Financial Information have been compiled from the Audited Special Purpose Interim Consolidated financial statements of the Group as at and for the nine months period ended December 31, 2021 and the Audited Special Purpose Consolidated financial statements of the Group as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019. (refer basis of preparation para under Note 2).

For the year ended March 31, 2021 and March 31, 2020, the Consolidated IGAAP financial statements were not placed before the respective annual general meeting for the year, for adoption. The Company has filed an application dated May 13, 2022 with the Registrar of Companies, Mumbai requesting for refiling of the annual returns for the said periods. Based on internal assesment of the management, the impact of the said non-compliance is not expected to be material.

There is no difference between Restated Consolidated Financial Information and Audited Special Purpose Interim Consolidated Financial Statements and Audited Special Purpose Consolidated Financial Statements of the Group as referred above. Reconciliations between the Restated Consolidated Financial Information and Consolidated Audited Financial Statements of the Group are set out in the following tables and notes.

A Reconciliations between the restated consolidated financial information and consolidated audited financial statements of the Group.

1 Reconciliation of total equity as at 31 March 2021, 31 March 2020, 31 March 2019 and 1 April 2018 #

Particulars	Notes	31 March 2021	31 March 2020	31 March 2019	1 April 2018
Total equity (shareholder's funds) as per audited consolidated financial statements of respective years		(1,221.69)	(1,036.72)	(863.56)	(806.06)
Adjustments:					
Adjustment for recognition of right-of-use assets and lease liabilities	a	(1.73)	0.02	1.12	-
Other adjustments	a & d	(18.69)	(5.38)	(2.49)	-
Total Adjustments		**(20.42)**	**(5.36)**	**(1.37)**	**-**
Total equity as per restated consolidated financial information		**(1,242.11)**	**(1,042.08)**	**(864.93)**	**(806.06)**

2 Reconciliation of profit/(loss) and other comprehensive income/(loss) for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 #

Particulars	Notes	31 March 2021	31 March 2020	31 March 2019
Profit/(loss) after tax as per as per audited consolidated financial statements of respective years		**(162.18)**	**(253.66)**	**(78.55)**
Adjustments:				
Adjustment for employee stock option expense	c	(103.69)	(7.89)	(0.65)
Adjustment for recognition of right-of-use assets and lease liabilities	a	(1.75)	(1.10)	1.12
Adjustment for Other Comprehensive income	b	(0.72)	1.43	0.98
Other adjustments	a & d	(12.78)	(16.46)	(2.51)
Total adjustments		**(118.94)**	**(24.02)**	**(1.06)**
Profit/(loss) for the year as per restated consolidated financial information		**(281.12)**	**(277.68)**	**(79.61)**
Other comprehensive income/(loss)				
Remeasurement of defined benefit obligations (net of tax)	b	0.72	(1.43)	(0.98)
Exchange differences on translation of foreign operations	d	(0.20)	(0.11)	-
Total comprehensive income/(loss) for the year as per restated consolidated financial information		**(280.60)**	**(279.22)**	**(80.59)**

 # There have been no restatement adjustment relating to financial period ended on 31 December 2021 .

3 Impact of restatement adjustment on the cash flows statement for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 #

The restatement adjustment has not made a material impact on the statement of cash flows.

4 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per as per audited consolidated financial statements and as per the restated consolidated statement of assets and liabilities is as follows: #

Particulars	Notes	Audited as at 31 March 2021$*	Adjustments	Restated as at 31 March 2021	Audited as at 31 March 2020*	Adjustments	Restated as at 31 March 2020	Audited as at 31 March 2019*	Adjustments	Restated as at 31 March 2019
ASSETS										
Non-current assets										
Property, plant and equipment		6.13	-	6.13	9.57	-	9.57	5.65	-	5.65
Right-of-use assets	a	-	17.44	17.44	-	22.09	22.09	-	26.74	26.74
Intangible assets		43.83	-	43.83	58.51	-	58.51	0.15	-	0.15
Financial assets						-				
(i) Loans	d	20.06	(20.06)	-	10.90	(10.90)	-	-	-	-
(ii) Other financial assets	a	8.77	(1.78)	6.99	8.46	(2.15)	6.31	13.45	(2.49)	10.96
Other non-current assets		46.88	-	46.88	34.24	-	34.24	11.72	-	11.72
Total non-current assets		**125.67**	**(4.40)**	**121.27**	**121.67**	**9.04**	**130.72**	**30.97**	**24.25**	**55.22**
Current assets										
Financial assets										
(i) Trade receivables		8.05	-	8.05	13.33	-	13.33	5.95	-	5.95
(ii) Cash and cash equivalents	d	27.03	3.12	30.15	97.21	9.55	106.76	8.18	-	8.18
(iii) Bank balances other than (ii) above		10.31	-	10.31	64.42	-	64.42	0.70	-	0.70
(iv) Other financial assets		29.00	-	29.00	55.71	-	55.71	3.00	-	3.00
Other current assets	d	38.48	0.99	39.47	42.24	0.56	42.80	15.74	-	15.74
Total current assets		**112.87**	**4.11**	**116.98**	**272.91**	**10.11**	**283.02**	**33.57**	**-**	**33.57**
Total assets		**238.54**	**(0.29)**	**238.25**	**394.58**	**19.15**	**413.74**	**64.54**	**24.25**	**88.79**
EQUITY AND LIABILITIES										
EQUITY										
Equity share capital		0.35	-	0.35	0.34	-	0.34	0.34	-	0.34
Instrument in the nature of equity		1,413.81	-	1,413.81	1,390.70	-	1,390.70	826.52	-	826.52
Other equity	a, b, c & d	(1,221.69)	(20.42)	(1,242.11)	(1,036.72)	(5.36)	(1,042.08)	(863.56)	(1.37)	(864.93)
Total equity		**192.47**	**(20.42)**	**172.05**	**354.32**	**(5.36)**	**348.96**	**(36.70)**	**(1.37)**	**(38.07)**
LIABILITIES										
Non-current liabilities										
Financial liabilities										
(i) Lease liabilities	a	-	15.33	15.33	-	19.17	19.17	-	22.07	22.07
Provisions	d	9.31	0.09	9.40	7.95	-	7.95	4.79	-	4.79
Total non-current liabilities		**9.31**	**15.42**	**24.73**	**7.95**	**19.17**	**27.12**	**4.79**	**22.07**	**26.86**
Current liabilities										
Financial liabilities										
(i) Short Term Borrowings		-	-	-	-	-	-	31.34	-	31.34
(ii) Lease liabilities	a	-	3.84	3.84	-	2.90	2.90	-	3.55	3.55
(iii) Trade payables	d	18.58	0.88	19.46	18.43	3.14	21.57	27.60	-	27.60
Provisions		2.23	-	2.23	1.00	-	1.00	0.90	-	0.90
Other liabilities		15.94	-	15.94	12.88	(0.70)	12.19	36.61	-	36.61
Total current liabilities		**36.75**	**4.72**	**41.47**	**32.31**	**5.34**	**37.66**	**96.45**	**3.55**	**100.00**
Total liabilities		**46.06**	**20.14**	**66.20**	**40.26**	**24.51**	**64.78**	**101.24**	**25.62**	**126.86**
Total equity and liabilities		**238.53**	**(0.28)**	**238.25**	**394.58**	**19.15**	**413.74**	**64.54**	**24.25**	**88.79**

** The audited consolidated financial statements figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.*

 # There have been no restatement adjustment relating to financial period ending on 31 December 2021.

$ The consolidated IGAAP financials for 31 March 2020 was adopted by the board on 29 December 2020 and that of 31 March 2021 was adopted by the board on 13 May 2022.Refer note 37.

5 **Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per audited consolidated financial statements and as per restated consolidated financial information is as follows: #**

Particulars	Notes	Audited as at 31 March 2021*	Adjustments	Restated 31 March 2021	Audited as at 31 March 2020*	Adjustments	Restated 31 March 2020	Audited as at 31 March 2019*	Adjustments	Restated 31 March 2019
Revenues										
Revenue from operations		3,484.00	-	3,484.00	2,161.39	-	2,161.39	2,358.50	-	2,358.50
Other income	a	5.86	0.37	6.23	11.91	0.33	12.24	1.56	0.29	1.85
Total income		**3,489.86**	**0.37**	**3,490.23**	**2,173.30**	**0.33**	**2,173.63**	**2,360.06**	**0.29**	**2,360.35**
Expenses										
Cost of services		3,485.08	-	3,485.08	2,206.00	-	2,206.00	2,304.74	-	2,304.74
Employee benefits expense	b, c & d	116.51	107.62	224.13	131.04	12.03	143.07	71.04	(0.33)	70.71
Finance costs	a & d	0.05	2.20	2.25	3.40	2.56	5.96	0.58	2.91	3.49
Depreciation and amortisation	a & d	18.23	4.67	22.90	17.42	4.66	22.08	2.34	4.65	6.99
Other expenses	a & d	28.50	8.49	36.99	69.10	5.10	74.20	59.92	(5.89)	54.03
Total expenses		**3,648.36**	**122.98**	**3,771.35**	**2,426.96**	**24.35**	**2,451.31**	**2,438.61**	**1.34**	**2,439.96**
Share in net profit/(loss) of an associate	**d**	**(3.67)**	**3.67**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Profit/(Loss) before tax		**(162.18)**	**(118.94)**	**(281.12)**	**(253.66)**	**(24.02)**	**(277.68)**	**(78.55)**	**(1.05)**	**(79.61)**
Tax expenses										
Current tax		-	-	-	-	-	-	-	-	-
Deferred tax		-	-	-	-	-	-	-	-	-
Total tax expense		-	-	-	-	-	-	-	-	-
Profit/(Loss) after tax (PAT)		**(162.18)**	**(118.94)**	**(281.12)**	**(253.66)**	**(24.02)**	**(277.68)**	**(78.55)**	**(1.05)**	**(79.61)**
Other comprehensive income										
Items that will not be reclassified subsequently to profit and loss										
Remeasurements of defined benefit liability	b	-	0.72	0.72	-	(1.43)	(1.43)	-	(0.98)	(0.98)
Income-tax relating to these items		-	-	-	-	-	-	-	-	-
Items that will be reclassified to profit and loss				-			-			-
(a) Exchange differences on translation of financial statements of foreign operations			(0.20)	(0.20)		(0.11)	(0.11)			
Total comprehensive income/(loss) for the year		**(162.18)**	**(118.42)**	**(280.60)**	**(253.66)**	**(25.45)**	**(279.22)**	**(78.55)**	**(2.03)**	**(80.59)**

** The audited consolidated financial statements figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.*
 # There have been no restatement adjustment relating to financial period ended on 31 December 2021 .

6 **Notes :**

A **Ind AS Adjustments**

a **Recognition of Right of use assets**

Under the previous GAAP, rental expenditure for operating leases were recognised as expenditure on a straight-line basis over the lease period. During the current year, on transition to Ind AS, the Company has applied the principles of Ind AS 116 and recognised a right of use assets with a corresponding lease liability in the balance sheet by using the modified retrospective method effective from the transition date. Accordingly, the rental expenditure has been reversed and an amortisation charge on Right of use asset and interest on lease liability is recognised in the statement of profit and loss.

b **Defined benefit obligation**

Both under Indian GAAP and Ind-AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are to be recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Whereas, the Company has recognised all the remeasurements to the Statement of profit and loss and decided to follow the same consistently.

c Employee stock option expense

Under Previous GAAP, the cost of equity-settled and liability settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of share-based plan is recognised on the fair value of the options as at the grant date and reporting date as applicable.

d The Company holds 49% of equity in the PayMate Payments Services Provider LLC, in IGAAP the investment is considered as an associate. However, based on the definition given under IND AS 110, the aforesaid investment is considered as subsidiary. Due to change in the classification of investments, the same is consolidated as subsidiary in the restated financial statements.

B Material regrouping : None

Appropriate regroupings have been made in the Restated Consolidated Balance Sheet, Restated Consolidated Statement of Profit & Loss and Restated Consolidated Statement of Cashflows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Group for the periods / years ended ended 31 December 2021, 31 March 2021, 31 March 2020 and 31 March 2019 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date : May 25, 2022

For and on behalf of the Board of Directors
PayMate India Limited

Ajay Adiseshan
Managing Director
DIN: 00099023

Vishvanathan Subramanian
Director and Chief Financial Officer
DIN: 02153545

Nanda Harish
Company Secretary (ACS: 15495)

Place: Mumbai
Date : May 25, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure VII Notes to Restated Consolidated Financial Information
(All amounts are Rs. in Millions, unless stated otherwise)

3 Property Plant and equipment and Intangible assets

	Tangible assets				Intangible assets		
Description of Assets	**Computers and softwares**	**Office equipments**	**Furniture and fittings**	**Total**	**Patent rights**	**Application**	**Total**
Balance as at April 01, 2018	**2.54**	**0.20**	**0.63**	3.37	0.24	**-**	0.24
Additions	4.38	0.05	0.10	4.53	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2019	**6.92**	**0.25**	**0.73**	**7.90**	**0.24**	**-**	**0.24**
Balance as at April 01, 2019	**6.92**	**0.25**	**0.73**	**7.90**	0.24	**-**	**0.24**
Additions	5.66	0.29	0.13	6.08	-	-	-
Addition on Business Combination	0.66	-	-	0.66	-	73.05	73.05
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2020	**13.24**	**0.54**	**0.86**	**14.64**	**0.24**	**73.05**	**73.29**
Balance as at April 01, 2020	**13.24**	**0.54**	**0.86**	**14.64**	0.24	**73.05**	**73.29**
Additions	0.13	-	-	0.13	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2021	**13.37**	**0.54**	**0.86**	**14.77**	**0.24**	**73.05**	**73.29**
Balance as at April 01, 2021	**13.37**	**0.54**	**0.86**	**14.77**	**0.24**	**73.05**	**73.29**
Additions	1.97	0.04	-	2.01	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at December 31, 2021	**15.34**	**0.58**	**0.86**	**16.78**	**0.24**	**73.05**	**73.29**
II. Accumulated depreciation and impairment							
Balance as at April 01, 2018	-	-	-	-	-	-	-
Depreciation / amortisation expense for the year	2.01	0.07	0.17	2.25	0.09	-	0.09
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2019	**2.01**	**0.07**	**0.17**	**2.25**	**0.09**	**-**	**0.09**
Balance as at April 01, 2019	2.01	0.07	0.17	2.25	0.09	-	0.09
Accumulated Depreciation on business combination	0.08	-	-	0.08	-	-	-
Depreciation / amortisation expense for the year	2.52	0.10	0.12	2.74	0.08	14.61	14.69
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2020	**4.61**	**0.17**	**0.29**	**5.07**	**0.17**	**14.61**	**14.78**
Balance as at April 01, 2020	**4.61**	**0.17**	**0.29**	**5.07**	**0.17**	**14.61**	**14.78**
Depreciation / amortisation expense for the year	3.37	0.11	0.09	3.57	0.07	14.61	14.68
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2021	**7.98**	**0.28**	**0.38**	**8.64**	**0.24**	**29.22**	**29.46**
Balance as at April 01, 2021	**7.98**	**0.28**	**0.38**	**8.64**	**0.24**	**29.22**	**29.46**
Depreciation / amortisation expense for the period	2.46	0.06	0.07	2.59	-	10.96	10.96
Disposals	-	-	-	-	-	-	-
Balance as at December 31, 2021	**10.44**	**0.34**	**0.45**	**11.23**	**0.24**	**40.18**	**40.42**
III. Net block (I-II)							
Balance as at March 31, 2019	4.91	0.18	0.56	5.65	0.15	-	0.15
Balance as at March 31, 2020	8.63	0.37	0.57	9.57	0.07	58.44	58.51
Balance as at March 31, 2021	5.39	0.26	0.48	6.13	-	43.83	43.83
Balance as at December 31, 2021	4.90	0.24	0.41	5.55	-	32.87	32.87

3 Property Plant and equipment and Intangible assets (continued)

Business Combination

Summary of material acquisitions during the year ended March 31, 2020 is given below:

On April 01, 2019, the Company has acquired the customer contracts, leased facilities, assets and employees of Zaitech Technologies Private Limited, through a Business Transfer Agreement for a cash consideration of ₹ 73.67 millions.

The following table presents the provisional purchase price allocation:

Description	Purchase price allocated
Net Assets	0.62
Application acquired	73.05
Total Purchase Price	**73.67**

Depreciation and Amortisation

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Property, Plant and Equipment	2.59	3.57	2.74	2.25
Right of Use Assets	3.49	4.65	4.65	4.65
Amortisation - Intangibles	10.96	14.68	14.69	0.09
Total	**17.04**	**22.90**	**22.08**	**6.99**

Title deeds of Immovable Properties not held in name of the Group:

Description	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Title deeds held in the name of	Paymate India Limited			
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	NA			
Reason for not being held in the name of the Group	NA			

4. Right of use assets and Lease Liabilities

The Group has lease contracts for office units. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2018 and applied the standard to its leases, under modified retrospective transition method.

The Group has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

(i) Movement in Right of use assets and Lease liabilities is given below:

Description	Right of use assets (Buildings)
Cost as at April 01, 2018	-
Due to transition to Ind AS 116 on April 01, 2018	31.39
Additions	-
Disposals	-
Cost as at March 31, 2019	**31.39**
Ind AS 116 Transition adjustment	-
Additions	-
Disposals	-
Cost as at March 31, 2020	**31.39**
Additions	-
Disposals	-
Cost as at March 31, 2021	**31.39**
Additions	-
Disposals	-
Cost as at December 31, 2021	**31.39**
Accumulated depreciation as at April 1, 2018	
Depreciation for the year	4.65
Disposals	-
Accumulated depreciation as at March 31, 2019	**4.65**
Ind AS 116 transition adjustment	-
Depreciation for the year	4.65
Disposals	-
Accumulated depreciation as at March 31, 2020	**9.30**
Depreciation for the year	4.65
Disposals	-
Accumulated depreciation as at March 31, 2021	**13.95**
Depreciation for the period	3.49
Disposals	-
Accumulated depreciation as at December 31, 2021	**17.44**
Net carrying amount as at March 31, 2019	**26.74**
Net carrying amount as at March 31, 2020	**22.09**
Net carrying amount as at March 31, 2021	**17.44**
Net carrying amount as at December 31, 2021	**13.95**

Lease Liability: Set out below are the carrying amounts of lease liabilities and the movements during the period / year:

	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening balance	19.17	22.07	25.62	-
Recognised on adoption of Ind AS 116	-	-	-	28.60
Additions during the period / year	-	-	-	-
Disposal during the period / year	-	-	-	-
Accretion of interest	1.44	2.19	2.56	2.91
Payment of lease liabilities	(4.10)	(5.09)	(6.11)	(5.89)
Closing balance	**16.51**	**19.17**	**22.07**	**25.62**
Less: Current Lease liabilities	4.92	3.84	2.90	3.55
Non Current Lease liabilities	11.59	15.33	19.17	22.07

(ii) Payments recognised as expenses and income

	For the period / year ended			
	31-Dec-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
Short term leases and low value assets	0.15	0.28	6.03	3.12
	0.15	**0.28**	**6.03**	**3.12**

(iii) Contractual maturities of lease liabilities on undiscounted basis

	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Less than one year	6.42	5.70	5.09	6.11
One to five years	12.83	17.65	23.35	28.44
More than five years	-	-	-	-
	19.25	**23.35**	**28.44**	**34.55**

5 Other Financial assets

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Security Deposits	9.96	3.76	3.39	3.06
Earmarked balances with banks	0.46	0.51	0.55	5.70
Other Long Term Bank Deposits	0.52	2.72	2.37	2.20
Total	**10.94**	**6.99**	**6.31**	**10.96**

i. Earmarked balances with banks includes interest receivable of ₹ 0.01 mn, ₹ 0.01 mn, ₹ 0.08 mn and ₹ 0.19 mn as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31,2019 respectively.

ii. Other long-term bank deposits includes interest receivable of ₹ 1.20 mn, ₹ 0.62 mn, ₹ 0.25mn and ₹ 0.08 mn as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31,2019 respectively.

6 Other non-current assets

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Advance tax and Tax deducted at source (Net of provision)	2.18	46.88	34.24	11.72
Total	**2.18**	**46.88**	**34.24**	**11.72**

7 Trade receivables (Unsecured)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade receivables:				
considered good	67.79	8.05	13.33	5.95
considered doubtful	-	-	-	6.40
	67.79	**8.05**	**13.33**	**12.35**
Less: Provision for doubtful trade receivables	-	-	-	(6.40)
	67.79	**8.05**	**13.33**	**5.95**
Total	**67.79**	**8.05**	**13.33**	**5.95**

No trade or other receivable are due from directors or other officers of the Group.

Trade receivables are non-interest bearing and generally on terms of less than 30 days

Trade Receivables ageing schedule:

As at 31 december 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	57.41	0.68	9.70	-	-	67.79
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**57.41**	**0.68**	**9.70**	**-**	**-**	**67.79**

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	8.05	-	-	-	-	8.05
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**8.05**	**-**	**-**	**-**	**-**	**8.05**

As at 31 March 2020

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	13.33	-	-	-	-	13.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**13.33**	**-**	**-**	**-**	**-**	**13.33**

As at 31 March 2019

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5.95	-	-	-	-	5.95
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-		-	6.40	6.40
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**5.95**	**-**	**-**	**-**	**6.40**	**12.35**

8 Cash and Cash Equivalents

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cash on hand	0.02	0.02	0.14	0.04
Foreign Currency in hand	0.02	0.02	-	-
Balances with banks :				
(i) In current accounts	88.17	30.11	55.50	8.14
(ii) Fixed Deposit with Banks	-	-	51.12	-
Total	**88.21**	**30.15**	**106.76**	**8.18**

Fixed Deposit with Banks includes interest receivable of ₹ 0.18 mn March 31,2020 respectively.

9 Other balances with banks

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Earmarked balances with banks	-	6.72	6.15	0.18
Short-term bank deposits	6.72	3.59	58.27	0.52
Total	**6.72**	**10.31**	**64.42**	**0.70**

Earmarked balances with banks includes interest receivable of ₹ 1.11 mn, ₹ 0.51 mn and ₹ 0.07 mn as at March 31, 2021, March 31, 2020 and March 31, 2019 respectively.

Short-term bank deposits includes interest receivable of ₹ 0.02 mn,₹ 0.07 mn, ₹ 0.07 mn and ₹ 0.02 mn as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 respectively.

With IndusInd Bank, the company has created a charge of ₹ 2.5 mn for the purpose of facilitating corporate visa credit card to the merchants referred by PayMate. However, as on December 31, 2021, not a single merchant has been referred by PayMate.

10 Other financial assets
(Unsecured and considered good, unless stated otherwise)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Security deposits	194.93	28.71	51.69	0.57
Advance to Staff	3.69	0.29	4.02	0.55
Other Receivables	-	-	-	1.88
Share issue expenses (refer note below)	42.76	-	-	-
Total	**241.38**	**29.00**	**55.71**	**3.00**

During the nine months period ended 31 December 2021, the Company has incurred share issue expenses in connection with proposed public offer of equity shares of which Rs. 42.76 mm is accounted for various services received for Initial Public Offering (IPO). In accordance with the Companies Act 2013 ("the Act") and also as per the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Company will partly recover the expenses incurred in connection with the Issue on completion of Initial Public Offer (IPO). The Company's share of expenses shall be adjusted against securities premium to the extent permissible under Section 52 of the Act on successful completion of IPO. The entire amount has been carried forward and disclosed under the head "Share issue expenses" under "other current financial assets" (to the extent of not written off or adjusted). The amount which is receivable from the selling shareholders is not disclosed separately as the amount is not determinable at this stage pending completion of the IPO.

11 Other current assets
(Unsecured and considered good, unless stated otherwise)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Advance tax and Tax deducted at source	61.24	2.18	15.13	3.37
Prepaid expenses	0.74	0.94	0.52	0.14
Balances with government authorities	50.44	35.37	26.44	8.99
Advance to suppliers	-	0.30	0.32	3.00
Travel advance to staff	-	-	0.33	0.24
Other Receivables	-	0.68	0.06	-
Total	**112.42**	**39.47**	**42.80**	**15.74**

12 Equity Share Capital

Particulars	As at December 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(a) Authorised:								
(i) Equity Share Capital								
Equity Shares of ₹ 1/- each (March 31, 2021- ₹10/- each, March 31, 2020- ₹10/- each, and March 31, 2019 - ₹10/- each)	10,49,74,640	104.97	9,30,005	9.30	9,30,005	9.30	23,48,269	23.48
(ii) Preference Share Capital								
10% Non-Cumulative participating fully convertible Preference shares of Rs. 9,59,772.10 each	293	281.21	-	-	-	-	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 64,740 each	357	23.11	357	23.11	-	-	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,58,456.7 each	3,254	515.62	3,254	515.62	3,254	515.62	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,55,655.54 each	312	48.56	312	48.56	312	48.56	-	-
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 14,781.84 each	3,862	57.09	3,862	57.09	3,862	57.09	3,862	57.09
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 14,694.45 each	3,862	56.75	3,862	56.75	3,862	56.75	3,862	56.75
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,681.34 each	1,820	23.08	1,820	23.08	1,820	23.08	1,820	23.08
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,642.48 each	1,820	23.01	1,820	23.01	1,820	23.01	1,820	23.01
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,726.16 each	2,042	25.99	2,042	25.99	2,042	25.99	2,042	25.99
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,669.53 each	2,042	25.87	2,042	25.87	2,042	25.87	2,042	25.87
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 46,905.46 each	1,938	90.90	1,938	90.90	1,938	90.90	1,938	90.90
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 46,883.44 each	2,544	119.27	2,544	119.27	2,544	119.27	2,544	119.27
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 46,905.42 each	1,513	70.97	1,513	70.97	1,513	70.97	1,513	70.97
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 56,741.97 each	909	51.58	909	51.58	909	51.58	909	51.58
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 56,770.44 each	318	18.05	318	18.05	318	18.05	318	18.05
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 67,176.16 each	1,817	122.06	1,817	122.06	1,817	122.06	1,817	122.06
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 73.72 each	1	-	1	-	1	-	1	-
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 51,264.37 each	2,768	141.91	2,768	141.90	2,768	141.90	2,768	141.90
Total	**10,50,06,112**	**1,800.00**	**9,61,184**	**1,423.11**	**9,60,827**	**1,400.00**	**23,75,525**	**850.00**

Particulars	As at December 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Issued, Subscribed and Fully paid-up:								
12 (a) Equity Share Capital								
Equity Shares of ₹ 1/- each (March 31, 2021- ₹10/- each, March 31, 2020- ₹10/- each, and March 31, 2019 - ₹10/- each)	5,61,25,190	56.13	34,756	0.35	33,977	0.34	33,976	0.34
Total equity shares	**5,61,25,190**	**56.13**		**0.35**		**0.34**		**0.34**
12 (b) Preference Share Capital								
10% Non-Cumulative participating fully convertible Preference shares of ₹ 9,59,772.10 each (each of the Series D3 preference shares shall be converted to a maximum of 9,060 equity shares upon conversion as per the conversion ratio based on the commercial terms & conditions laid down in the investment agreement to be converted on or before 23/08/2041)	293	281.21	-	-	-	-	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 64,740 each - (to be converted on or before 06/09/2040 at a conversion ratio of 1,510 equity shares for each preference share held)	357	23.11	357	23.11	-	-	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,58,456.7 each - (to be converted on or before 13/08/2039 at a conversion ratio of 1,510 equity shares for each preference share held)	3,254	515.62	3,254	515.62	3,254.00	515.62	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,55,655.54 each - (to be converted on or before 22/04/2039 at a conversion ratio of 1,510 equity shares for each preference share held)	312	48.56	312	48.56	312.00	48.56	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 51,264.37 each (to be converted on or before 11/09/2037 at a conversion ratio of 1,510 equity shares for each preference share held)	1,529	78.38	1,529	78.38	1,529	78.38	1,529	78.38
10% Non-Cumulative participating fully convertible preference shares of ₹ 51,264.37 each (to be converted on or before 11/09/2037 at a conversion ratio of 1,510 equity shares for each preference share held)	1,239	63.52	1,239	63.52	1,239	63.52	1,239	63.52

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure VII Notes to Restated Consolidated Financial Information
(All amounts are Rs. in Millions, unless stated otherwise)

Particulars	As at December 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
10% Non-Cumulative participating fully convertible preference shares of ₹ 67,176.16 each (to be converted on or before 14/09/2034 at a conversion ratio of 1,510 equity shares for each preference share held)	1,817	122.06	1,817	122.06	1,817	122.06	1,817	122.06
10% Non-Cumulative participating fully convertible preference shares of ₹ 56,770.44 each (to be converted on or before 27/02/2032 at a conversion ratio of 1,510 equity shares for each preference share held)	318	18.05	318	18.05	318	18.05	318	18.05
10% Non-Cumulative participating fully convertible preference shares of ₹ 56,741.97 each (to be converted on or before 27/02/2032 at a conversion ratio of 1,510 equity shares for each preference share held)	909	51.58	909	51.58	909	51.58	909	51.58
10% Non-Cumulative participating fully convertible preference shares of ₹ 46,905. 46 each (to be converted on or before 25/05/2031 at a conversion ratio of 1,510 equity shares for each preference share held)	2,544	119.27	2,544	119.27	2,544	119.27	2,544	119.27
10% Non-Cumulative participating fully convertible preference shares of ₹ 46,905. 42 each (to be converted on or before 25/05/2031 at a conversion ratio of 1,510 equity shares for each preference share held)	1,938	90.90	1,938	90.90	1,938	90.90	1,938	90.90
10% Non-Cumulative participating fully convertible preference shares of ₹ 46,883.44 each (to be converted on or before 18/09/2029 at a conversion ratio of 1,510 equity shares for each preference share held)	1,513	70.97	1,513	70.97	1,513	70.97	1,513	70.97
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,669.53 each (to be converted on or before 24/03/2028 at a conversion ratio of 1,510 equity shares for each preference share held)	2,042	25.87	2,042	25.87	2,042	25.87	2,042	25.87

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure VII Notes to Restated Consolidated Financial Information
(All amounts are Rs. in Millions, unless stated otherwise)

Particulars	As at December 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,726.16 each (to be converted on or before 24/03/2028 at a conversion ratio of 1,510 equity shares for each preference share held)	2,042	25.99	2,042	25.99	2,042	25.99	2,042	25.99
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,642.48 each (to be converted on or before - 22/10/2027 at a conversion ratio of 1,510 equity shares for each preference share held)	1,820	23.01	1,820	23.01	1,820	23.01	1,820	23.01
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,681.34 each (to be converted on or before 22/10/2027 at a conversion ratio of 1,510 equity shares for each preference share held)	1,820	23.08	1,820	23.08	1,820	23.08	1,820	23.08
10% Non-Cumulative participating fully convertible Preference shares of ₹ 14,781.84 each (to be converted on or before 15/11/2026 at a conversion ratio of 1,510 equity shares for each preference share held)	3,862	57.09	3,862	57.09	3,862	57.09	3,862	57.09
10% Non-Cumulative participating fully convertible Preference shares of ₹ 14,694.45 each (to be converted on or before 15/11/2026 at a conversion ratio of 1,510 equity shares for each preference share held)	3,862	56.75	3,862	56.75	3,862	56.75	3,862	56.75
Total preference shares	**31,471**	**1,695.02**	**31,178**	**1,413.81**	**30,821**	**1,390.70**	**27,255**	**826.52**
Total		**1,751.15**		**1,414.16**		**1,391.04**		**826.86**

(ii) Terms / rights attached to the Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 1 per share (March 31, 2021, March 31, 2020 and March 31, 2019: Rs. 10 per share). Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% of the share capital:

Name of the Shareholder	As at December 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% of holding	Number of shares held	% of holding	Number of shares held	% of holding	Number of shares held	% of holding
Equity Shares								
Mr.Ajay Adiseshann	3,36,27,700	59.92%	22,270	64.08%	22,270	65.54%	22,270	65.55%
Mr.Probir Roy	66,24,370	11.80%	4,387	12.62%	4,387	12.91%	4,387	12.91%
Mr.Alexander Kuruvilla	32,60,090	5.81%	2,159	6.21%	2,159	6.35%	2,159	6.35%
Mr.Dhruv Singh	37,75,000	6.73%	2,500	7.19%	2,500	7.36%	2,500	7.36%
Mrs.Uma Vishvanathan	30,39,630	5.42%	2,013	5.79%	2,013	5.92%	2,013	5.92%
Preference Shares								
M/s.Lightbox Ventures I	20,716	65.83%	20,716	66.44%	20,716	67.21%	20,716	76.01%
M/s.IPO Wealth Holdings Pty Ltd.	2,768	8.80%	2,768	8.88%	2,768	8.98%	2,768	10.16%
M/s.Mayfield FVCI Ltd.	2,544	8.08%	2,544	8.16%	2,544	8.25%	2,544	9.33%
M/s.VISA International Service Association	2,229	7.08%	2,229	7.15%	2,229	7.23%	-	-

(iv) Shareholding of promoters

	31 December 2021			31 March 2021			31 March 2020			31 March 2019		
	Number of shares	% holding	% of change	Number of shares	% holding	% of change	Number of shares	% holding	% of change	Number of shares	% holding	% of change
Promoters :												
Mr.Ajay Adiseshann	33,627,700	59.92%	-4.16%	22,270	64.08%	-1.47%	22,270	65.54%	0.00%	22,270	65.55%	0.00%
Total	33,627,700	59.92%	-4.16%	22,270	64.08%	-1.47%	22,270	65.54%	0.00%	22,270	65.55%	0.00%

v) i) For details of shares reserved for issue under Employee Stock Option Plan (ESOP) of the Parent Company, refer Note 32.

ii) there are no bonus shares issued or shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

13 Other equity

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Securities premium account	297.92	124.35	73.80	72.79
Retained earnings/(deficit)	(1,937.94)	(1,510.14)	(1,229.02)	(951.34)
Employees Stock option outstanding	280.66	125.98	22.29	14.40
Money received against share warrants	-	19.50	19.50	-
Share suspense account	-	-	73.67	-
Other items of other comprehensive income	1.85	(1.49)	(2.21)	(0.78)
Foreign currency translation reserve	(0.31)	(0.31)	(0.11)	-
Total	**(1,357.82)**	**(1,242.11)**	**(1,042.08)**	**(864.93)**

Securities Premium account
Securities Premium account is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings are the profit/losses (net of appropriation) of the parent company earned till date, including items of other comprehensive income.

Money Received Against Share Warrants
Share warrant of 5 Nos ₹ 39,00,000/- each with excise option period of 6 years from closing date and convertible at ₹ 12,145/- per share or at a future agreed rate, at the time of the exercise of the option.

Share Suspense Account
779 Equity shares of ₹ 64,740/- each and 359 Preference Shares of ₹ 64,740/- each to be issued to Zaitech Technologies Private Limited to settle the Purchase price on Business combination as approved by NCLT.

14 Provisions

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a) Provision for employee benefits				
Provision for Gratuity [Refer note 27]	10.58	9.40	7.95	4.79
Total	**10.58**	**9.40**	**7.95**	**4.79**

15 Short-term borrowings

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Borrowings from others - unsecured				
Interest Free unsecured loans from Directors (the loan is repayable on demand)	-	-	-	31.34
Total	**-**	**-**	**-**	**31.34**

16 Trade payables (at amortised cost)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade payables				
- Total outstanding dues of micro and small enterprises	-	-	-	-
- Total outstanding dues of creditors other than micro and small enterprises	104.04	19.46	21.57	27.60
Total	**104.04**	**19.46**	**21.57**	**27.60**

Trade payables ageing schedule as on December 31, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	94.27	(0.77)	-	-	10.54	104.04
(iii) Disputed Dues - MSME	-	-		-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	**94.27**	**(0.77)**	**-**	**-**	**10.54**	**104.04**

Trade payables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	17.47	1.93	0.06	-	-	19.46
(iii) Disputed Dues - MSME	-	-		-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	**17.47**	**1.93**	**0.06**	**-**	**-**	**19.46**

Trade payables ageing schedule as on March 31, 2020

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	18.14	3.17	0.26	-	-	21.57
(iii) Disputed Dues - MSME	-	-		-		-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	**18.14**	**3.17**	**0.26**	**-**	**-**	**21.57**

Trade payables ageing schedule as on March 31, 2019

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME		-	-	-	-	-
(ii) Others	26.28	1.32	-	-	-	27.60
(iii) Disputed Dues - MSME	-	-		-		-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	**26.28**	**1.32**	**-**	**-**	**-**	**27.60**

17 Provisions

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits				
Provision for gratuity [Refer note 27]	0.82	2.23	1.00	0.90
Total	**0.82**	**2.23**	**1.00**	**0.90**

18 Other Liabilities

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Statutory remittances	56.73	15.94	9.40	27.82
Advance from customers	-	-	2.79	8.79
Total	**56.73**	**15.94**	**12.19**	**36.61**

19 Revenue from operations

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of services				
Transaction fees - local	8,419.37	3,392.61	2,154.15	2,358.50
Transaction fees - international	15.01	91.39	7.24	-
Total	**8,434.38**	**3,484.00**	**2,161.39**	**2,358.50**

20 Other income

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income from				
- financial assets at amortised cost	0.13	3.42	7.26	1.04
- income tax refund	2.36	0.59	-	0.14
- on lease deposit	0.31	0.37	0.33	0.30
Liabilities no longer required written back	-	1.85	3.95	0.37
Foreign exchange gain	-	-	0.69	-
Other miscellaneous income	0.00	-	0.01	-
Total	**2.80**	**6.23**	**12.24**	**1.85**

21 Cost of services

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Bank transaction fees and payment gateway fees	8,448.84	3,484.82	2,112.15	2,132.15
Discount on vouchers / mobile recharge top up	-	0.26	93.85	172.59
Total	**8,448.84**	**3,485.08**	**2,206.00**	**2,304.74**

22 Employee benefit expenses

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	167.76	112.56	127.10	66.08
Contributions to provident fund and other funds (Refer Note 27)	4.01	3.58	3.49	2.41
Gratuity expense (Refer Note 27)	3.25	3.39	1.79	1.13
Share based payments to employees (Refer Note 32)	171.72	103.69	7.89	0.65
Staff welfare expenses	1.36	0.91	2.80	0.44
Total	**348.10**	**224.13**	**143.07**	**70.71**

23 Finance costs

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest expense on financial liabilities at amortised cost:				
(i) Borrowings	-	0.01	-	0.04
(ii) Lease liabilities	1.44	2.19	2.56	2.91
(b) Interest on delay payment of statutory dues	0.00	0.05	3.40	0.54
Total	**1.44**	**2.25**	**5.96**	**3.49**

24 Other expenses

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Lease rentals	0.15	0.28	6.03	3.12
Electricity expenses	0.24	0.32	0.52	0.65
Foreign exchange loss	0.14	0.17	-	0.35
Insurance expenses	0.01	0.13	-	-
Repairs and maintenance (Others)	0.19	0.59	0.83	0.05
Rates and taxes	11.09	0.39	7.19	1.36
Legal and professional fees	3.45	16.89	23.96	33.43
Information technology expenses	15.84	8.01	4.02	2.82
Travelling and conveyance expenses	1.50	1.75	8.13	6.32
Audit fees (Refer Note - 24.1)	2.54	0.50	0.45	0.21
Advertisement charges	2.53	1.39	3.15	2.13
Conveyance charges	-	-	-	0.41
Office expenses	1.39	5.60	11.54	0.53
Telephone charges	1.27	0.84	1.73	0.39
Bank charges	0.23	0.03	0.02	0.15
Membership and registration	-	-	-	0.27
Provision for bad and doubtful debts	7.69	-	2.40	0.13
Miscellaneous expenses	1.30	0.10	4.23	1.71
Total	**49.56**	**36.99**	**74.20**	**54.03**

24.1 Payments to auditors:

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Payments to auditors comprises (net of input tax credit):				
Statutory audit fees	2.50	0.50	0.43	0.20
For other services	0.04	-	0.02	0.01
Total	**2.54**	**0.50**	**0.45**	**0.21**

24.2 Details of Corporate social responsibility expenditure

	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Gross amount required to be spent by the Company during the period/year	-	-	-	-
(ii) Amount approved by the Board to be spent during the period/year	-	-	-	-
(iii) Amount spent during the period/year (in cash)				
- construction/ acquisition of any asset	-	-	-	-
- on purpose other than above	-	-	-	-
(iv) (Shortfall) / Excess at the end of the period/year	-	-	-	-
(v) Total of previous years shortfall	-	-	-	-
(vi) Details of related party transactions	-	-	-	-
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year should be shown separately				
Opening provision	-	-	-	-
Addition during the year / period	-	-	-	-
Utilisation	-	-	-	-
Closing provision	**-**	**-**	**-**	**-**

25 Contingent liabilities and commitments

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Contingent liabilities:				
(a) Bank guarantee given to various parties	0.46	6.85	6.32	5.50
(b) Claims against the company not acknowledged as debts for the period from FY 2007-2008 till FY 2014-15 towards short deduction & short payment of TDS including interest	-	-	0.68	-
(c) Income tax demand	1.66	1.66	-	-
(d) Service tax demand	1.19	1.19	-	-
(ii) Commitments:				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-

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

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
The amounts remaining unpaid to micro and small supplies as at end of the period / year	-	-	-	-
- Principal	-	-	-	-
- Interest	-	-	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year/period;	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year / period ; and	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

27 Employee benefit plans

27.1 Defined contribution plans - provident fund

The Company makes Provident Fund scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of profit and loss.

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Provident fund	4.00	3.58	3.49	2.41

27.2 Defined benefit plan - gratuity

The Company provides for Gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for Gratuity. The amount of Gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months, restricted to a sum of Rs. 20 lakhs.

The Group does not fund the liability.

This defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Components of employer expense				
Current service cost	2.45	2.74	1.34	0.82
Past service cost	-	-	-	-
Interest cost	0.80	0.65	0.45	0.31
Expected return on plan assets	-	-	-	-
Recognised in statement of profit and loss	3.25	3.39	1.79	1.13
Re-measurement - actuarial (gain)/loss recognised in OCI	(3.34)	(0.72)	1.43	0.98
Total expense recognised in the Statement of total comprehensive income	**(0.09)**	**2.67**	**3.22**	**2.11**
Other Comprehensive Income (OCI)				
Actuarial (gain)/loss due to DBO experience	(2.11)	(1.52)	0.97	0.80
Actuarial (gain)/loss due to DBO financial assumption changes	(1.13)	0.81	0.51	0.09
Actuarial (gain)/loss due to DBO demographic assumption changes	(0.10)	(0.00)	(0.05)	0.09
Actuarial (gain)/loss arising during period	(3.34)	(0.72)	1.43	0.98
Actual return on plan assets (greater)/less interest on plan assets	-	-	-	-
Actuarial (gains)/ losses recognized in OCI	**(3.34)**	**(0.72)**	**1.43**	**0.98**

	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Defined Benefit Cost				
Service cost	2.45	2.74	1.34	0.82
Net interest on net defined benefit liability / (asset)	0.80	0.66	0.45	0.31
Actuarial (gains)/ losses recognized in OCI	(3.34)	(0.72)	1.43	0.98
Defined Benefit Cost	**(0.09)**	**2.68**	**3.22**	**2.11**
Change in defined benefit obligation (DBO) during the year				
Present value of DBO at beginning of the year	11.53	8.91	5.69	3.84
Current service cost	2.45	2.74	1.34	0.82
Past service cost	-	-	-	-
Interest cost	0.80	0.66	0.45	0.31
Actuarial (gains) / losses	(3.34)	(0.72)	1.43	0.98
Benefits paid	(0.04)	(0.05)	-	(0.26)
Present value of DBO at the end of the year	**11.40**	**11.54**	**8.91**	**5.69**

	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Actual contribution and benefit payments for year				
Actual benefit payments	0.04	0.05	-	0.27
Actual contributions	0.04	0.05	-	0.27
Change in fair value of assets during the year				
Plan assets at beginning of the year	-	-	-	-
Expected return on plan assets	-			
Actual company contributions	0.04	0.05	-	0.27
Actuarial gain / (loss)	-	-	-	-
Benefits paid	(0.04)	(0.05)	-	(0.27)
Plan assets at the end of the year	-	-	-	-
Actual return on plan assets	-	-	-	-

	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current and Non Current Liability portion				
Particulars				
Current Liability	0.82	2.23	1.00	0.90
Non Current Asset/ (Liability)	10.58	9.31	7.95	4.79
Net Asset/(Liability)	**11.40**	**11.54**	**8.95**	**5.69**
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	11.40	11.54	8.95	5.69
Fair value of plan assets	-	-	-	-
Funded status [Surplus / (Deficit)]	(11.40)	(11.54)	(8.95)	(5.69)
Net asset / (liability) recognised in the Balance Sheet	**(11.40)**	**(11.54)**	**(8.95)**	**(5.69)**
Composition of the plan assets is as follows:				
Discount rate	7.03%	6.82%	6.71%	7.60%
Attrition Rate	7.27%	8.50%	7.27%	13.00%
Expected return on plan assets	NA	NA	NA	N.A
Salary escalation	8.00%	10.00%	8.00%	7.50%

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.

Sensitivity Analysis
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity Plan	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Estimate value of obligation if discount rate higher by 1%	(0.87)	(0.74)	(0.59)	(0.29)
Estimated value of obligation if discount rate is lower by 1%	1.00	0.81	0.63	0.32
Estimate value of obligation if salary growth rate is higher by 1%	0.47	0.44	0.38	0.24
Estimate value of obligation if salary growth rate is lower by 1%	(0.53)	(0.38)	(0.35)	(0.22)
Estimate value of obligation if attrition rate is higher by 1%	0.08	(0.01)	0.01	0.02
Estimate value of obligation if attrition rate is lower by 1%	(0.10)	0.01	(0.01)	(0.01)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Maturity profile of defined benefit obligation:

Maturity profile, if it ensues	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
With in 1 year	0.85	2.29	1.03	0.94
1-2 Year	0.75	0.70	1.60	0.70
2-3 Year	0.82	0.74	0.53	0.66
3-4 Year	0.98	0.79	0.56	0.63
4-5 Year	0.97	1.08	0.59	0.62
Above 5 years	5.84	5.09	3.94	2.96

28 Segment Reporting

(a) Primary Business Segment Information

The Company has identified business segment as its primary segment and geographical segments as its secondary segment. The Business segment of the company primarily relates to the business of providing B2B payment aggregator for payables and receivables. During the year under consideration, the company has presence only in India.

a) Revenue From External Customers

Particulars	Nine month period ended December 31, 2021	For the year Ended March 31, 2021	For the year Ended March 31, 2020	For the year Ended March 31, 2019
India	8,419.37	3,392.61	2,154.15	2,358.50
Singapore	15.01	91.39	7.24	-
Rest of World	-	-	-	-
Total	**8,434.38**	**3,484.00**	**2,161.39**	**2,358.50**

b) Non-Current assets (other than Financial instruments)

Particulars	Nine month period ended December 31, 2021	For the year Ended March 31, 2021	For the year Ended March 31, 2020	For the year Ended March 31, 2019
India	54.52	114.24	124.35	44.26
Singapore	-	-	-	-
Rest of world	0.03	0.04	0.06	-
Total	**54.55**	**114.28**	**124.41**	**44.26**

Revenue from major services

Nature of Service	Revenue from Customers			
	Nine month period ended December 31, 2021	For the year Ended March 31, 2021	For the year Ended March 31, 2020	For the year Ended March 31, 2019
1. Transaction Fees	8,434.38	3,484.00	2,161.39	2,358.50

29 Related party transactions

(a) Related Parties

Name of related parties	Description of relationship
Paymate Payment Services Provider LLC	Subsidiary of PayMate India Limited (formerly known as PayMate India Private Limited
PayMate Inc	Subsidiary of PayMate India Limited (formerly known as PayMate India Private Limited
Bloom Ventures Private Limited	Company Having Common Directors
Ajay Adiseshan	Managing Director
Probir Roy	Director
S Vishvanathan	Director & CFO
Uma Vishvanathan	Relative of director

(b) Transaction during the year

Particulars	Related Party	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
A) Directors Remuneration	Ajay Adiseshan	29.70	9.00	12.00	6.00
	S Vishvanathan	21.33	3.38	4.50	1.50
	Probir Roy	-	-	-	1.20
B) Salary	Uma Vishvanathan	1.03	1.13	1.50	-
C) Loans Taken	Ajay Adiseshan	21.50	-	2.21	6.70
	S Vishvanathan	-	-	0.34	5.83
D) Loans Repaid	Ajay Adiseshan	21.50	-	29.87	14.58
	S Vishvanathan		-	-	
	S Vishvanathan	-	-	4.02	2.15
E) Advance from Customers	Bloom Ventures Private Limited	-	-	-	5.40
F) Advance from Customers Repaid	Bloom Ventures Private Limited	-	-	5.40	-

(c) Balance outstanding as at the balance sheet date

Particulars	Related Party	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A) Remuneration Payable	Ajay Adiseshan	-	-	-	4.16
	S Vishvanathan	-	-	-	0.58
	Probir Roy	-	-	-	1.87
B) Advance from Customers	Bloom Ventures Private Limited	-	-	-	5.40
C) Short term borrowings	Ajay Adiseshan	-	-	-	27.67
	S Vishvanathan	-	-	-	3.68

(d) Transactions within the Group: (these transactions got eliminated in Restated Consolidated Summary Statements)*

		Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Transactions by the Company with other Group entities:					
A) Loan given	Paymate Payment Services	15.37	12.83	21.41	-
B) Expense incurred on behalf of subsidiary	Provider LLC	-	-	-	1.88
Transactions by Paymate Payment Services Provider LLC					
A) Loan received	Subsidiary of PayMate India Limited (formerly known as PayMate India Private Limited	15.37	12.83	21.41	-
B) Expense incurred on Company's behalf	Subsidiary of PayMate India Limited (formerly known as PayMate India Private Limited	-	-	-	1.88

(e) Amounts due (to)/ from related parties: (these transactions got eliminated in Restated Consolidated Summary Statements)*

		As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
In the Books of Parent Company:					
A) Short term loans and advances	Paymate Payment Services Provider LLC	49.62	34.25	21.41	-
	PayMate Inc (fully provided)	48.70	48.70	48.70	48.70
B) Accounts receivable	PayMate Inc (fully provided)	6.40	6.40	6.40	6.40
D) Other receivables	PayMate Payment Service Provider LLC	-	-	-	1.88
	PayMate Inc (fully provided)	0.04	0.04	0.04	0.04
E) Investments	Paymate Payment Services Provider LLC	2.85	2.85	2.85	-
In the books of Paymate Payment Services Provider LLC					
A) Short term loans	PayMate India Limited (formerly known as PayMate India Private Limited)	(49.62)	(34.25)	(21.41)	-
B) Other payables	PayMate India Limited (formerly known as PayMate India Private Limited)	-	-	-	(1.88)
C) Investments received	PayMate India Limited (formerly known as PayMate India Private Limited)	(2.85)	(2.85)	(2.85)	-
In the books of PayMate Inc					
A) Short term borrowings	PayMate India Limited (formerly known as PayMate India Private Limited)	(48.70)	(48.70)	(48.70)	(48.70)
B) Accounts payable	PayMate India Limited (formerly known as PayMate India Private Limited)	(6.40)	(6.40)	(6.40)	(6.40)
C) Investments received	PayMate India Limited (formerly known as PayMate India Private Limited)	(0.04)	(0.04)	(0.04)	(0.04)

* As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations

30 Earnings per equity share

Basic earnings per share amounts is calculated by dividing the profit/(loss) for the period / year attributable to equity holders by the weighted average number of equity shares outstanding during the period / year. Diluted earnings per share amounts is calculated by dividing the profit/(Loss) attributable to equity holders (after adjusting for dividend on the convertible preference shares) by the weighted average number of equity shares outstanding during the period / year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Earnings per equity share				
Loss attributable to equity shareholders	(427.80)	(281.12)	(277.68)	(79.61)
Original number of equity shares (post share split)*	3,54,070	3,44,167	3,39,769	3,34,438
Add: Impact of bonus issue	5,31,10,484	5,16,24,982	5,09,65,365	5,01,65,753
Weighted average number of equity shares for basic EPS (Nos.)	**5,34,64,554**	**5,19,69,149**	**5,13,05,134**	**5,05,00,192**
Effect of dilutive equivalent share options	79,32,591	66,51,870	37,99,318	29,84,697
Effect of dilutive equivalent Compulsory convertible preference shares	4,89,59,052	4,68,43,952	4,46,85,595	4,06,30,037
Weighted average number of equity shares for dilutive EPS (Nos.)	**11,03,56,196**	**10,54,64,971**	**9,97,90,047**	**9,41,14,926**
Par value per equity share (₹)	1.00	1.00	1.00	1.00
Earning/(loss) per share - Basic (₹)	**(8.00)**	**(5.41)**	**(5.41)**	**(1.58)**
Earning/(loss) per share - Diluted (₹)#	**(8.00)**	**(5.41)**	**(5.41)**	**(1.58)**

*The Company on December 18, 2021, has split the Rs. 10 equity share into 10 shares of Re. 1 each. Accordingly, the earnings per share has been adjusted for subdivision of shares for the current and previous years presented in accordance with the requirements of Indian Accounting Standard (Ind AS) 33 - Earnings per share.

#The conversion of above mentioned potential equity shares would decrease loss per share from continuing ordinary activities, these are anti-dilutive in nature and thus the effects of anti-dilutive potential equity shares are not considered in calculating diluted earning per share.

31 Income Tax :

Particulars	Nine month period ended December 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2020		For the year ended March 31, 2019	
	Statement of profit and loss	Other comprehensive income	Statement of profit and loss	Other comprehensive income	Statement of profit and loss	Other comprehensive income	Statement of profit and loss	Other comprehensive income
Current Tax	-	-	-	-	-	-	-	-
Deferred tax	-	-	-	-	-	-	-	-
Income tax expense	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

As the company is incurring Losses, the provision for Income tax does not arise.

Deferred Tax

Deferred Tax The Company has unabsorbed depreciation and unused tax losses at the end of the year. The net deferred tax asset has not been recognised on such losses and unabsorbed depreciation, as the probable taxable profits for the entity are low before the unused tax losses or unabsorbed depreciation expire and also on consideration of prudence. The Company has not created deferred tax assets on the following.

Particulars	As at December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Accumulated unabsorbed depreciation loss	107.66	90.41	90.41	68.01
Accumulated unabsorbed business loss	568.93	438.04	463.47	324.51
Total	**676.59**	**528.45**	**553.88**	**392.52**
Unused tax losses which expire in financial years:				
2019-20	-	-	-	72.05
2020-21	-	-	25.42	25.42
2021-22	15.51	15.51	15.51	15.51
2022-23	3.99	3.99	3.99	3.99
2023-24	44.55	44.55	44.55	44.55
2024-25	42.37	42.37	42.37	42.37
2025-26	49.20	49.20	49.20	49.12
2026-27	72.79	72.79	72.79	71.50
2027-28	209.63	209.63	209.63	-
2028-29	130.89	-	-	-

32 Employee Stock Option plan

The stock compensation expense recognised for employee services received during the Nine month period ended December 31, 2021, year ended March 31, 2021, year ended March 31, 2020 and year ended March 31, 2019 were ₹ 171.72, ₹ 103.69, ₹ 7.89 and ₹ 0.65 respectively.

ESOP scheme 2014

The Board of Directors of the Parent Company at its meeting held on December 18, 2021, ratified the Paymate Employees Stock Option Plan-I 2014 ("ESOP Plan"). At the said meeting, the Board authorised the Compensation Committee for the superintendence of the ESOP Plan. ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company. Employees covered under Stock Option Plans are granted an option to purchase shares of the Company at the respective exercise prices, subject to requirements of vesting conditions. These options generally vest in tranches over a period of one to five years from the date of grant. Upon vesting, the employees can acquire one equity share for every option. The normal Excise Period is 5 years from the date the options become vested options or such period as extended by the Compensation committee.

The fair value of equity-settled award is estimated on the date of grant with the following assumptions:

Particulars	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan
Grant Date	24-11-2021 (Vest 2)	24-11-2021 (Vest 1)	09-Jul-21	09-Mar-21	15-Jan-21	01-Aug-20	18-Jun-19	01-Dec-18
Weighted average share price* (₹)	52.66	52.66	52.66	52.66	52.66	52.66	8.04	8.04
Exercise price (₹)	1	1	1	1	1	1	1	1
Expected volatility (%)	37.03%	39.36%	38.84%	36%	36%	36%	171.00%	171.14%
Expected life of the option (years)	4.5	3.5	3.5	3.9	3.9	3.9	3.75	3.5
Expected dividends (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0%
Risk-free interest rate (%)	5.55%	5.18%	5.29%	5%	5%	5%	7.00%	7.33%
Weighted average fair value as on grant date* (₹)	52.66	52.66	52.66	52.66	52.66	52.66	8.04	8.04

*The aforementioned shares are post subdivision of equity shares (refer note 12(iv)).

A summary of the general terms of grants under stock option plan

Name of Plan	Number of options reserved under the plan as at December 31, 2021	Number of options reserved under the plan as at March 31, 2021	Number of options reserved under the plan as at March 31, 2020	Number of options reserved under the plan as at March 31, 2019
PayMate Employees Stock Option Plan-I 2014*	2,18,95,000	1,81,20,000	1,81,20,000	1,43,45,000

*The aforementioned shares are post subdivision of equity shares (refer note 12(iv)).

The outstanding position as at each year end are summarised below:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Outstanding at the beginning of the period /year	**1,03,66,150**	**50,13,200**	**36,69,300**	**70,26,030**
Granted during the period/year	35,78,700	**55,47,740**	**13,43,900**	3,09,550
Exercised during the period/year	18,46,730	-	-	36,66,280
Modification during the period/year	-	-	-	-
Expired during the period/year	-	-	-	-
Forfeited during the period/year	**1,02,680**	**1,94,790**	-	-
Outstanding at the end of the period/year	**1,19,95,440**	**1,03,66,150**	**50,13,200**	**36,69,300**
Exercisable at the end of the period/year	68,47,850	43,17,090	35,16,790	33,59,750

*The aforementioned shares are post subdivision of equity shares (refer note 12(iv)).

The following table summarises information about outstanding stock options:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Number of options*	1,19,95,440	1,03,66,150	50,13,200	36,69,300
Weighted average remaining life (months)	4.06	3.74	2.10	1.31

*The aforementioned shares are post subdivision of equity shares (refer note 12(iv)).

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance-based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest.

33 Financial instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2021,March 31, 2021, March 31, 2020 and March 31, 2019 is as follows:

Particulars	Amortised cost			
	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Financial assets				
Trade receivable	67.79	8.05	13.33	5.95
Cash and cash equivalents	88.21	30.15	106.76	8.18
Other bank balances	6.72	10.31	64.42	0.70
Other financial assets	252.32	35.99	62.02	13.96
Total assets	**415.04**	**84.50**	**246.53**	**28.79**
Financial liabilities				
Borrowings	-	-	-	31.34
Lease liabilities	16.51	19.17	22.07	25.62
Trade payables	104.04	19.46	21.57	27.60
Total liabilities	**120.55**	**38.63**	**43.64**	**84.56**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers among Level 1, Level 2 and Level 3 during the year.

B. Financial risk management

The Group activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising	Measurement	Management
Credit risk	Trade receivables, security deposits, bank deposits and loans.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits.

The Group's risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The Group's board of directors have overall responsibility for the Group's risk management framework. The board of directors are responsible for developing and monitoring the Group's risk management policies. The board of directors monitors the compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's risk management policies are to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from top customer	1,744.32	594.12	922.27	1,353.55
Revenue from top 5 customers (other than above customer)	3,669.32	1,677.59	1,066.40	946.75

One customer accounted for more than 21% of the revenue for the Nine month period ended December 31, 2021. One customer accounted for more than 17% of the revenue for the year ended March 31, 2021. One customer accounted for more than 40% of the revenue for the year March 31, 2020. One customer accounted for more than 55% of the revenue for the year ended March 31, 2019.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities.

As at 31 December 2021

	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	16.51	6.42	12.83	-	19.25
Short-term borrowings	-	-	-	-	-
Trade payables	104.04	104.04	-	-	104.04
Total	**120.55**	**110.46**	**12.83**	**-**	**123.29**

As at 31 March 2021

	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	19.17	5.70	17.65	-	23.35
Short-term borrowings	-	-	-	-	-
Trade payables	19.46	19.46	-	-	19.46
Total	**38.63**	**25.16**	**17.65**	**-**	**42.81**

As at 31 March 2020

	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	22.07	5.09	23.35	-	28.44
Trade payables	21.57	21.57	-	-	21.57
Total	**43.64**	**26.66**	**23.35**	**-**	**50.01**

As at 31 March 2019

	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	25.62	6.11	28.44	-	34.55
Short-term borrowings	31.34	31.34	-	-	31.34
Trade payables	27.60	27.60	-	-	27.60
Total	**84.56**	**65.05**	**28.44**	**-**	**93.49**

Foreign Currency risk

The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars). A significant portion of the Group's revenues and costs are in Indian rupees. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the Group management believes that the payables in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent

The following table presents foreign currency risk from non-derivative financial instruments as of December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019

Particulars	As at	Amount in USD	INR (in Mn)
Assets - Trade receivables			
	31-Dec-21	54,752.14	4.07
	31-Mar-21	92,842.85	6.74
	31-Mar-20	-	-
	31-Mar-19	36,964.74	2.40

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency USD on account of outstanding trade receivables and trade payables in USD.

The following table details the Group's sensitivity to a 5% increase and decrease in INR against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A negative number below indicates an decrease in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive.

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Impact on profit or (loss) for the period / year in case on 5% strengthening of INR	(0.20)	(0.34)	-	(0.12)
Impact on profit or (loss) for the period / year in case on 5% weakening of INR	0.20	0.34	-	0.12

Capital management

The Group's objective when managing capital is to safeguard its ability to continue as going concern so that the Group is able to provide minimum return to share holders and benefit for other stakeholders; and maintain an optimal capital structure to reduce the cost of capital.

The Group maintains its financial framework to support the pursuit of value growth for shareholders, which ensuring a secure financial base. In order to maintain or adjust the capital structure, the Group may vary the distribution of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of debt and total equity of the Group.

The Group's management review the capital structure of the Group on quarterly basis. As part of the review, the management considers the cost of capital and the risks associated with each class of capital requirements and maintenance of adequate liquidity.

Gearing Ratio (Net Debt to Equity Ratio)

Particulars	As at			
	As at December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Debt	-	-	-	31.34
Less: Cash & Bank Balances	88.21	30.15	106.76	8.18
Net Debt	(88.21)	(30.15)	(106.76)	23.16
(a) Share capital	1,751.15	1,414.16	1,391.04	826.86
(b) Other Equity	(1,357.82)	(1,242.11)	(1,042.08)	(864.93)
Total Equity	393.33	172.05	348.96	(38.07)
Net Debt to total equity ratio (without considering other Equity)	-	-	-	0.03
Net Debt to total equity ratio (considering other Equity)	-	-	-	-

34 Revenue from contract with customers

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contract with customers:

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Income from sale of services	8,434.38	3,484.00	2,161.39	2,358.50
	8,434.38	**3,484.00**	**2,161.39**	**2,358.50**
India	8,419.37	3,392.61	2,154.15	2,358.50
Outside India	15.01	91.39	7.24	-
	8,434.38	**3,484.00**	**2,161.39**	**2,358.50**
Timing of revenue recognition				
Services transferred over time	-	-	-	-
Goods transferred at a point of time	8,434.38	3,484.00	2,161.39	2,358.50
Total revenue from contracts with customers	**8,434.38**	**3,484.00**	**2,161.39**	**2,358.50**
Reconciliation of revenue recognised with the contracted price is as follows:				
Contract price	8,434.38	3,484.00	2,161.39	2,358.50
Less: Discounts and disallowances	-	-	-	-
Total revenue from contracts with customers	**8,434.38**	**3,484.00**	**2,161.39**	**2,358.50**

Contract balances

Particulars	Nine month period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Trade receivables	67.79	8.05	13.33	5.95
Contract assets	-	-	-	-
Contract liabilities	-	-	-	-

The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. The Group does not have any unhedged foreign currency exposure as at 31 december 2021.

35 Subsequent Events

The Company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on January 29, 2022 and consequently the name of the Company has changed to "PayMate India Limited" pursuant to a fresh certificate of incorporation by the Registrar of Companies on March 07, 2022.

36 Impact of COVID-19

In March 2020, The World Health Organisation declared COVID-19 to be a pandemic. The threats posed by the coronavirus outbreak are multifold. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Government of India imposed lockdown from 24 March 2020 to curb the spread of virus. The nationwide lockdown temporarily impacted the operations of various industries due to non-availability of labour, transportation and supply chain disruptions.

The Company has assessed the recoverability of receivables, investments and other financial assets considering the available internal and external information upto the date of approval of financial statements and there has been no adjustments. Considering the nature of these assets, the Company expects to recover carrying amount of these assets.

The actual impact of global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the period ended December 31, 2021 and has concluded that there is no impact which is required to be recognised in the financial statements as the business of the company is into essential services. Accordingly, no adjustments have been made to the financial statements.

37 For the year ended March 31, 2020, the consolidated IGAAP financial statement were approved by the board of directors vide meeting dated December 29, 2020. Such consolidated IGAAP financial statements were not placed before the shareholders for adoption in the annual general meeting held on December 31,2020. March 31,2020 was the first year when consolidation was applicable.

Consolidated IGAAP financial statements for the Year ended March 31,2021 were not prepared by the management accordingly the same could not be subjected to audit and also necessary approval / adoption by the board of directors and shareholders in the annual general meeting could not be done. Thereafter, the previous auditors resigned on November 24, 2021, leaving a deadlock situation for the company.

These are non compliances of sections 129, 134 and 137 of the Companies Act, 2013. In order to regularise such non compliances, Management subsequently filed an application with the Registrar of Companies, Mumbai vide letter dated May 13, 2022 to seek condonation and steps taken as mentioned below:

- Adoption of March 31, 2020 IGAAP consolidated financial statements in the ensuing annual general meeting.
- Appointment (in the shareholders meeting) of an independent chartered accountant firm to conduct the audit of IGAAP consolidated financial statements for the Year ended March 31, 2021 for necessary adoption / approval by the board of directors and shareholders
- Refiling of necessary forms with Registrar of Companies

Further the management has obtained an independent legal opinion from an eminent legal counsel to assess the penal consequences in respect of such defaults and whether the steps taken by the company in this regard are adequate. Based on such legal opinion and managements assessment, the steps taken by the Company are reasonable and defaults are compoundable under the Act. Further the impact of such defaults is not expected to be material, and maximum penalty under the Companies Act 2013, is fully provided for in the books of account.

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Annexure VII Notes to Restated Consolidated Financial Information
(All amounts are Rs. in Millions, unless stated otherwise)

38 Additional information as required under Schedule III of the Companies Act, 2013 of entities consolidated as subsidiaries

	December 31, 2021		March 31, 2021		March 31, 2020		March 31, 2019	
	Net Assets, i.e. total assets		Net Assets, i.e. total assets		Net Assets, i.e. total assets		Net Assets, i.e. total assets	
	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount
A. Parent Company								
PayMate India Limited (formerly known as PayMate India Private Limited)	112.40%	442.09	119.73%	206.00	104.85%	365.88	100.00%	(38.07)
B. Subsidiaries incorporate outside India								
Paymate Payment Services Provider LLC	-8.02%	(31.55)	-8.11%	(13.96)	0.82%	2.85	0.00%	-
PayMate Inc	-12.39%	(48.74)	-28.33%	(48.74)	-13.97%	(48.74)	128.03%	(48.74)
C. Consolidation adjustments	8.02%	31.53	16.71%	28.75	8.30%	28.97	-128.03%	48.74
		393.33		**172.05**		**348.96**		**(38.07)**

	December 31, 2021		March 31, 2021		March 31, 2020		March 31, 2019	
	Share in profit/(loss)		Share in profit/(loss)		Share in profit/(loss)		Share in profit/(loss)	
	As % of Consolidated profit	Amount	As % of Consolidated profit	Amount	As % of Consolidated profit	Amount	As % of Consolidated profit	Amount
A. Parent Company								
PayMate India Limited (formerly known as PayMate India Private Limited)	96.99%	(411.68)	93.92%	(263.54)	93.94%	(262.31)	100.00%	(80.59)
B. Subsidiaries incorporate outside India								
Paymate Payment Services Provider LLC	3.01%	(12.78)	6.08%	(17.06)	6.06%	(16.91)	0.00%	-
PayMate Inc	0.00%	-	0.00%	-	0.00%	-	0.00%	-
C. Consolidation adjustments	0.00%	-	0.00%	-	0.00%	-	0.00%	-
		(424.46)		**(280.60)**		**(279.22)**		**(80.59)**

39 Ratios as per the Schedule III requirements

a) Current Ratio (Current Assets divided by Current Liabilities)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Current Assets (A)	516.52	116.98	283.02	33.57
Current Liabilities (B)	166.51	41.47	37.66	100.00
Ratio (C=A/B)	**3.10**	**2.82**	**7.52**	**0.34**
% Change from previous period / year	**10%**	**-62%**	**2139%**	

Note on Variance:
Rs. 565 million capital raised in FY 2019-20 hence the ratio went up from 0.34 to 7.52 in FY 2019-20. The same has been utilised for our working capital requirement and hence the ratio has gone down in the subsequent period i.e. March 2021 & December 2021.

b) Debt Equity ratio (Total debt divided by Total equity where total debt refers to sum of current & non current borrowings):

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Total debt (A)	-	-	-	31.34
Total equity (B)	393.33	172.05	348.96	(38.07)
Ratio (C=A/B)	**-**	**-**	**-**	**(0.82)**
% Change from previous period / year	**0%**	**0%**	**-100%**	

c) Return on Equity Ratio / Return on Investment Ratio (Net profit after tax divided by Total Equity)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Net profit after tax (A)	(427.80)	(281.12)	(277.68)	(79.61)
Total equity (B)	393.33	172.05	348.96	(38.07)
Ratio (C=A/B) #	**-108.76%**	**-163.39%**	**-79.57%**	**209.11%**
% Change from previous period / year	**-33%**	**105%**	**138%**	

(For Period December 31, 2021 is not annualised)

Note on Variance:
The return on equity has increased in March 2020 as compared to March 2019 mainly due to Rs. 565 million capital raised in FY 2019-20.
The return on equity has decreased in March 2021 as compared to March 2020 mainly due to increase in prices of procurement, export shipments charges and other direct costs and moderate volume of sales during the year of March 2021.

The return on equity has increased in December 2021 as compared to March 2021 mainly due to increase in profit after tax which was due to increase in business volumes in terms of products mix and new customers.

d) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Operations (A)	8,434.38	3,484.00	2,161.39	2,358.50
Average Trade Receivables (B)	37.92	10.69	9.64	5.36
Ratio (C=A/B) #	**222.43**	**325.91**	**224.21**	**440.02**
% Change from previous period / year	**-32%**	**45%**	**-49%**	

Note on Variance:
This ratio has improved from 224.21 in March 2020 to 325.91 in March 2021 mainly due to better collection efficiency and better working capital management.

e) Trade payables turnover ratio (Credit purchases divided by Average trade payables)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Credit Purchases (A)	8,448.84	3,485.08	2,206.00	2,304.74
Average Trade Payables (B)	-	-	-	-
Ratio (C=A/B) #	**-**	**-**	**-**	**-**
% Change from previous period / year	**0%**	**0%**	**0%**	

(For Period December 31, 2021 is not annualised)

f) Net capital Turnover Ratio (Revenue divided by Net Working capital (current assets - current liabilities)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Operations (A)	8,434.38	3,484.00	2,161.39	2,358.50
Net Working Capital (B)	350.01	75.51	245.36	(66.43)
Ratio (C=A/B) #	24.10	46.14	8.81	(35.50)
% Change from previous period / year	**-48%**	**424%**	**-125%**	

(For Period December 31, 2021 is not annualised)

This ratio has improved from 8.81 in March 2020 to 46.15 in March 2021 mainly due to increase in in sales which was due to increase in the business volumes in terms of products mix, and new customers & markets.

g) Net profit ratio (Net profit after tax divided by Revenue)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Net profit after tax (A)	(424.46)	(280.60)	(279.22)	(80.59)
Revenue from Operations (B)	8,434.38	3,484.00	2,161.39	2,358.50
Ratio (C=A/B) #	-5.03%	-8.05%	-12.92%	-3.42%
% Change from previous period / year	**-38%**	**-38%**	**-278%**	

(For Period December 31, 2021 is not annualised)

This ratio has improved from -8.05% in March 2021 to 5.03% in December 2021 mainly due to increase in sales which was due to increase in the business volumes in terms of products mix, and new customers & markets and improved profitability margins.

This ratio has improved from -12.92% in March 2020 to 8.05% in March 2021 mainly due to increase in sales which was due to increase in the business volumes in terms of products mix, and new customers & markets and improved profitability margins.

h) Return on Capital employed (Adjusted Earnings before interest and taxes Less other income divided by Capital Employed)

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax (A)	(427.80)	(281.12)	(277.68)	(79.61)
Add: Finance Costs (B)	1.44	2.25	5.96	3.49
EBIT (C) = (A)+(B)	**(426.36)**	**(278.87)**	**(271.72)**	**(76.12)**
Less: Other Income (D)	2.80	4.38	7.59	1.48
Adjusted EBIT ('E) = ('C)-(D)	**(429.16)**	**(283.25)**	**(279.31)**	**(77.60)**
Total Equity (F)	**393.33**	**172.05**	**348.96**	**(38.07)**
Return on Capital Employed (G=E/F) #	-109.11%	-164.63%	-80.04%	203.84%
% Change from previous period / year	**-34%**	**106%**	**-139%**	

(For Period December 31, 2021 is not annualised)

The return on capital employed has decreased in March 2021 as compared to March 2020 mainly due to decrease in Earnings before interest and taxes (EBIT) which is due to moderate sales volume during first quarter of December 2021 and increase in prices of procurements and direct costs.

The return on capital employed has increased in December 2021 as compared to March 2021 mainly due to increase in Earnings before interest and taxes (EBIT) which is due to higher business volumes and improved profitability margins.

i) Return on investment

Particulars	Nine month period ended December 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Net profit after tax (A)	(424.46)	(280.60)	(279.22)	(80.59)
Average Total Assets (B)	410.13	326.00	251.27	65.22
Ratio (C=A/B) #	-103.49%	-86.08%	-111.13%	-123.58%
% Change from previous period / year	**20%**	**-23%**	**10%**	

(For Period December 31, 2021 is not annualised)

The return on Investment has increased in March 2021 as compared to March 2020 mainly due to increase in Earnings before interest and taxes (EBIT) which is due to higher business volumes and improved profitability margins.

40 Previous years figures have been reclassified/regrouped wherever necessary to correspond with the current year classification (or) disclosures.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board of Directors
PayMate India Limited

Ananthakrishnan Govindan
Partner
Membership No: 205226

Ajay Adiseshan
Managing Director
DIN: 00099023

Vishvanathan Subramanian
Director and Chief Financial Officer
DIN: 02153545

Nanda Harish
Company Secretary (ACS: 15495)

Place: Hyderabad
Date : May 25, 2022

Place: Mumbai
Date : May 25, 2022

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the financial years ended March 31, 2021, March 31, 2020, and March 31, 2019 ("**Standalone Financial Statements**") are available at www.paymate.in. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Standalone Financial Statements do not and will not constitute, (i) a part of this Draft Red Herring Prospectus, (ii) the Red Herring Prospectus, or (iii) the Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. Due caution is advised when accessing and placing reliance on any historic or other information available in the public domain. None of the Group or any of its advisors, nor any Book Running Lead Managers or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives, accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Standalone Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(in ₹ million, except otherwise stated)

Particulars	December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Net Worth	393.33	172.04	348.96	(38.06)
Less: reserve on revaluation on land	-	-	-	-
Net worth as per regulation 2(1)(hh) of SEBI ICDR Regulations	393.33	172.04	348.96	(38.06)
Profit/ (loss) attributable to the owners of the company	(427.80)	(281.12)	(277.68)	(79.61)
Weighted average no. of Equity Shares outstanding during the period/ year				
- For basic earnings per Equity Share (₹)	53,464,554	51,969,149	51,305,134	50,500,192
- For diluted earnings per Equity Share (₹)	110,356,196	105,464,971	99,790,047	94,114,926
Restated basic earnings per share (₹)	(8.00)	(5.41)	(5.41)	(1.58)
Restated diluted earnings per share (₹)	(8.00)	(5.41)	(5.41)	(1.58)
Return on Net Worth (%)	(108.76%)	(163.40%)	(79.57%)	209.17%
Net assets value per Equity Share bearing face value ₹1 (₹)	7.36	3.31	6.80	(0.75)
EBITDA	(409.32)	(255.97)	(249.64)	(69.13)

Notes:

(1) Pursuant to a resolution of our Board dated December 13, 2021 and Shareholders dated December 18, 2021, each equity share of our Company of ₹10 each was sub-divided into ten Equity Shares of ₹1 each and accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 37,169 equity shares of the Company of ₹10 each to 371,690 Equity Shares of ₹1 each. Further, pursuant to resolutions of our Board dated December 13, 2021 and Shareholders dated December 18, 2021, our Company on January 14, 2022, allotted One Hundred Fifty Equity Shares for every one Equity Share held by Shareholders on the record date i.e., December 18, 2021, by way of a bonus issue and consequently, the paid-up Equity Share capital of our Company was increased to ₹56,125,190. The Earnings per Equity Share (basic and diluted) has been calculated after giving effect to such sub-division and bonus issuance.

(2) In terms of Paragraph 64 of Indian Accounting Standard 33 Earnings per Share, if the number of ordinary shares outstanding increases as a result of share split, calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial information is approved for issue, the per share calculations for those and any prior period financial information presented shall be based on the new number of shares. The calculation of basic and diluted EPS has been considered considering the impact of the split stated above.

(3) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of

days for which the specific shares are outstanding as a proportion of total number of days during the year/period. This has been adjusted for all periods presented by giving effect to the subdivision subsequent to the balance sheet date.

(4) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses.

(5) The above ratios have been computed on the basis of the Restated Financial Statements.

(6) "EBITDA" refers to earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding income tax expense, finance cost and depreciation and amortization expense to profit/loss for the year/ period.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at December 31, 2021, on the basis of the Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with "*Risk Factors*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 26, 214 and 277, respectively.

(in ₹ million, except ratio)

Particulars	Pre-Offer as at December 31, 2021	As adjusted for the Offer
Borrowings		
Current Borrowings (A)	-	[•]
Non Current Borrowings (including current maturity) (B)	-	[•]
Total Borrowings (C = A + B)	-	[•]
		[•]
Equity		
Equity Share Capital (D)	56.13	
Instrument in the nature of Equity (E)	1,695.02	[•]
Other Equity (F)	(1,357.82)	[•]
Total Equity (G = D+E+F)	393.33	
		[•]
Non Current Borrowings/ Total Equity (H = B/ G)	-	
Total Borrowings/ Total Equity (I = C/ G)	-	[•]

Notes:

(1) The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence the same have not been provided in the above statement.

(2) The Company has allotted 1,283,500 Equity Shares of ₹1 each to Uma Vishvanathan pursuant to conversion of the options granted the ESOP 2006 on February 14, 2022. The allotment is after considering the resolution passed at the extra-ordinary general meeting dated December 18, 2021, for change in the conversion ratio of the options granted under the ESOP 2006 to 1:1510 (for conversion into Equity Shares).

(3) The Company has allotted 74,114 Equity Shares to H. H. Prince Fahad Bin Abdullah Bin Mohammed Al Saud on a private placement basis at an issue price of ₹ 515.79 per Equity Share on April 30, 2022.

(4) The Company has allotted 57,43 and 14 NCPCCPS bearing face value of ₹12,63,699.83 each to Felicitas Secondary Fund II, LP, Astor Management AG and CXI Valley I LLC respectively, on a private placement basis at an issue price of ₹13,34,826.82, ₹13,34,826.81 and ₹13,34,826.78 per NCPCCPS, respectively, on March 05, 2022.

FINANCIAL INDEBTEDNESS

As on the date of this Draft Red Herring Prospectus, our Company and Subsidiaries do not have any outstanding financial indebtedness.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Restated Financial Statements as of and for Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, including the related annexures.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021 included herein is derived from the Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" on page 214.

Our Fiscal year ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12-month period ended March 31 of that year.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-Looking Statements" and "Risk Factors" on pages 26 and 24, respectively.

Overview

We are a leading[9] B2B payments and services provider that digitizes, automates and streamlines business to business ("**B2B**") payments in supply chains. *(Source: RedSeer Report)*

We are a pioneer in the digital technology-based B2B payment services market. (*Source: RedSeer Report)* We seek to improve the B2B supply chain payments process through the use of our platform across the entire value chain, which includes customers who have entered into contracts with us, registered with us or downloaded our application for usage of service offerings on our ecosystem, platforms or mobile application (the "**Customers**"), users who have made or received payments using our platform for payments without any contracts or registration with us or downloaded our application (the "**Users**") and financial institution partners that provide corporate credit cards and other financial products to our Customers to make payments to the vendors, suppliers, dealers and distributors of such Customers and receive payments from the buyers of such Customers.

Our platform is an integrated platform which includes multiple payment categories including vendor payments, statutory and utility payments, providing a "fully-integrated" B2B payments stack to our Customers. The strength of the platform lies in its ability to integrate with multiple clients across their payment services spectrum. Our platform has been adopted by 480 enterprises which subscribed to the enterprise plan on our platform ("**Enterprise Customers**") such as Customer A, Crompton Greaves Consumer Electricals Limited, Kansai Nerolac Paints Limited, SBI Cards and Payment Services Limited and Jay Bharat Maruti Limited to receive payments from their buyers, dealers and distributors. We expect that this will lead to increased usage of our services and offerings by such vendors, suppliers, buyers, dealers and distributors. Our platform also enables our Customers and their vendors, suppliers, buyers, dealers and distributors to make statutory payments of direct taxes and GST and utility payments using commercial credit cards.

As on December 31, 2021, we had 49,953 Customers, of which 480 were Enterprise Customers and 49,473 were small and medium enterprises which subscribed for basic plan on our platform ("**SME Customers**"). We had a TPV of ₹77,731.45 million in December 2021 and an average monthly TPV of ₹17,525.57 million, ₹16,470.35 million, ₹18,451.61 million and ₹53,778.34 million in Fiscals 2019, 2020, 2021 and the nine months ended December 31, 2021, respectively. We were the largest B2B payments player and one of the fastest growing providers of on-line, card-based payment-processing services in India, in terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. (*Source: RedSeer Report)*

Our total TPV has grown from ₹210,306.89 million in Fiscal 2019 to ₹221,419.31 million in Fiscal 2021 and further to ₹484,005.06 million in the nine months ended December 31, 2021, and our card-processing TPV has grown from ₹117,407.61 million in Fiscal 2019 to ₹187,142.31 million in Fiscal 2021 and further to ₹464,766.45 million in the nine months ended December 31, 2021. During the same period our revenues increased by 47.72%

---

[9] In terms of TPV processed in the nine months ended December 31, 2021 (₹464,766.45 million processed between April to December 2021) using commercial credit cards. *(Source: RedSeer Report)*

from ₹2,358.50 million in Fiscal 2019 to ₹3,484.00 million in Fiscal 2021, and further increased by 142.09% to ₹8,434.38 million in the nine months ended December 31, 2021.

From the end of Fiscal 2019 to December 31, 2021, we added 49,618 Customers on to our platform, of which 391 were new Enterprise Customers and 49,227 were new SME Customers as compared to the numbers of our Enterprise Customers and SME Customers as on March 31, 2019. For more details, see *"Our Business – Our key metrics.*"

Significant factors affecting our results of operations

A number of important factors, including the following affect our results of operations and financial condition:

Transaction processing volume and transaction fees

We derive a substantial part of our total revenue from transaction fees paid by our Customers for using commercial credit cards on our platform for making their payments. These transaction fees are based on the value of transactions transacted on our platform. For Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, our Customers contributed ₹2,358.50 million, ₹2,161.39 million, ₹3,484.00 million and ₹8,434.38 million, respectively, or 99.92%, 99.44%, 99.82% and 99.97% of our total revenue, respectively. The transaction fees we charge our Customers are subject to a variety of external factors such as competition, interest rates and inflation, among others.

Any increase or decrease in the volume of transactions or percentage of fees we charge our Customers has a direct effect on our revenue and results of operations. For further details relating to risks in respect of our dependence on Customers, see *"Risk Factors – We derive a significant portion of our revenues from certain of our Customers. Our largest Customer and our top five Customers (other than our largest Customer) contributed 20.68% and 43.50% of our revenue from operations for the nine months ended December 31, 2021, respectively. Any loss of business from one or more of them may adversely affect our revenues and profitability."* on page 27.

Our TPV is primarily driven by the number of Customers on our platform, number of transactions carried out by our Customers, the growth of our Customers' businesses and the growth in the number of their suppliers and vendors. Further, our TPV is also driven by the launch of various solutions including vendor payments and GST and direct tax payments. Our TPV consists of card-processing TPV representing TPV of transactions settled by commercial credit cards and non-card processing TPV representing TPV of bank-to-bank transfers and transactions settled by means other than commercial credit cards.

We aim to exploit the cascading effect created by the addition of every User and Customer on our platform. Once a large enterprise is on-boarded on to our platform as a Customer, we aim to bring the vendors, suppliers, buyers and distributors of Customers on to our platform as SME clients for their vendor payments, GST and direct tax payments, thereby resulting in a cascading effect of organic growth on our platform. For further details, see *"Our Business – Our Strategies – Exploiting the network effect of our platform"* on page 162. We aim to achieve this by leveraging our existing Enterprise Customers and SME Customers and financial institutional partner relationships to grow our SME Customers and Users. Our experience in B2B supply chain payments automation has allowed us to onboard 49,953 Customers and 116,858 Users as on December 31, 2021. Among the 49,953 Customers as on December 31, 2021, 480 were Enterprise Customers and 49,473 were SME Customers. For more details, see "*Our Business – Overview – Our key metrics*." on page 158.

However, once we onboard new Customers on our platform, our TPV may not proportionately increase as our new Customers take approximately three to six months to increase the volume of transactions processed on our platform. Accordingly, while our Customer increased from 335 in Fiscal 2019 to 49,953 for nine months ended December 31, 2021, our card-processing TPV increased from ₹117,407.61 million in Fiscal 2019 to ₹187,142.31 million in Fiscal 2021 and ₹464,766.45 million in nine months ended December 31, 2021, and our total TPV increased from ₹210,306.89 million in Fiscal 2019 to ₹221,419.31 million in Fiscal 2021 and ₹484,005.06 million in nine months ended December 31, 2021.

Merchant discount rate and cost of services

Our revenue from transaction fees paid by our Customers is a merchant discount rate ("**MDR**") charged to Customers as commission withheld by us from the transaction value paid to the designated payees of our Customers. Our gross profit is composed of the MDR charged to Customers net of cost of services.

Our cost of services include bank transaction fees to financial institutions and payment to partner payment gateways. The payment gateway fees are charged per transaction by partner payment gateways to cover the cost of providing access to the payment gateway. The bank transaction fees are charged per transaction by the financial institutions to cover the cost of providing their infrastructure for completing the transaction. For Fiscals 2019, 2020 and 2021 and the nine months ended December 31, 2021, our cost of services was ₹2,304.74 million, ₹2,206.00 million, ₹3,485.08 million and ₹8,448.84 million, constituting 97.64%, 101.49%, 99.85% and 100.14% of our total revenue, respectively. When we initially acquire new Enterprise Customers, we may offer solutions on our platform at a reduced rate during onboarding for a limited duration, thereby resulting in our cost of services as a percentage of revenue being high.

Further, we are unable to predict if or when our payment gateway partners or financial institutions will increase or decrease their payment gateway fees or bank transaction fees, respectively, or what the amount of such variation may be. Our contractual arrangements with our Customers allow us to re-adjust our rates and tariffs by notice to our Customers to offset any increase in bank transaction fees or payment gateway fees. However, our ability to adjust our pricing remains subject to a variety of factors, including competition from other payment providers, market conditions such as adverse impact on industry sectors of our Customers, and, in certain cases, direct price negotiations with our Customers. As a result, at times, we might not be able or willing to pass through all increases or decreases in bank transaction fees or payment gateway fees to our Customers, and therefore, increases or decreases in these fees may reduce or increase our revenue from transaction fees. For further information, see *"Risk Factors – If we cannot pass the increase in bank transaction fees payable by us to financial institution partners and payments to our partner payment gateways along to our Customers, our earnings and operating margins will decline."* on page 38.

Nonetheless, we expect that as number of Customers increase and our total TPV correspondingly increases, we would be able to implement strategies to rationalize the fees we charge for the use of our platform and service offerings due to the relatively fixed cost nature of our platform. We expect the rationalization of fees to increase the usage of our platform by existing and new Customers. In the last three years and nine months ended December 31, 2021, we have been able to reduce our costs of services as a percentage of TPV. As our total TPV increased by 5.28% from ₹210,306.89 million in Fiscal 2019 to ₹221,419 million in Fiscal 2021, our cost of services as a percentage of our card-processing TPV decreased from 1.96% in Fiscal 2019 to 1.86% in Fiscal 2021, and further to 1.75% in nine months ended December 31, 2021. The relatively higher increase in our card-processing TPV is primarily driven by the growth of our platform in terms of transaction volume and number of Customers, partially offset by decreased transaction volumes due to COVID-19 pandemic. For further details, see *"-Significant Factors Affecting our Results of Operations – Impact of COVID-19 pandemic.*" on page 280.

Operational costs and profitability

Our profitability depends on the cost effectiveness of our business, as measured by our cost of services, which primarily comprises bank transaction fees and payment gateway fees. For further details, see *"-Significant Factors Affecting our Results of Operations – Merchant Discount Rate and Cost of Services"* on page 278.

In addition, employee benefit expenses, which include salaries, wages and bonus, contributions to provident fund and other funds, gratuity expense, share-based payments to employees and staff welfare expenses, also constitute a significant portion of our cost structure. For Fiscals 2019, 2020 and 2021 and the nine months ended December 31, 2021, our employee benefit expenses were ₹70.71 million, ₹143.07 million, ₹224.13 million and ₹348.10 million, constituting 3.00%, 6.58%, 6.42% and 4.13% of our total revenue, respectively. We believe we have sufficient human resources to sustain our current operations and planned growth and seek to further improve our operational efficiency by utilizing technology. Nonetheless, as a significant portion of workforce is located in India, rising wages in India may have an impact on our expenses as well. Further, our addition of employees in geographical locations outside India where we are expanding our operations may require us to incur significant expenses to attract and retain employees in these markets.

Further, we designed, built and upgraded our platform using our in-house technology that caters to the needs of the entire B2B payments ecosystem, with Users and Customers being able to utilize different features of our platform seamlessly. Our platform is efficient and scalable, meaning we can easily expand our operations, while reducing marginal transaction and operational costs and without significantly increasing our fixed costs. We incurred ₹30.69 million between Fiscal 2019 and nine months ended December 31, 2021 to design, build and upgrade our platform.

Due to the relatively fixed cost nature of this platform, which relies on our data-centers and our internal team of engineers and developers, we expect that, as card-processing TPV grows, our cost per transaction will continue

to decrease. The integrated nature of our platform allows us to run our operations in a cost-effective manner, by reducing the need for operational personnel and allowing several processes to run with a high level of automation.

Further, we are in the process of expanding our operations geographically outside India. This geographical expansion will result in us incurring costs and expenses including marketing costs, infrastructure costs, employee costs and other expenses as we roll out our platform in different geographies. These increased costs may not be proportionate to the growth in our TPV from Customers in these new markets as it may take time for new Customers to fully utilize our platform.

Impact of COVID-19 pandemic

Since the onset of COVID-19 pandemic in calendar year 2020, we have recorded positive cases within our business, including for some of our KMPs and employees. We also experienced a reduction of transactions on our platform by our Customers in the airline and travel sector, which historically has accounted for a significant portion of our revenues. The average monthly TPV from our Customers in the airline and travel sector decreased ₹15,938.69 million in Fiscal 2019 to ₹14,132.65 million in Fiscal 2020, ₹5,167.66 million in Fiscal 2021 and further to ₹6,882.19 million in the nine months ended December 31, 2021, despite a general increase of average monthly TPV from all Customers from ₹17,525.57 million in Fiscal 2019 to ₹53,778.34 million in the nine months ended December 31, 2021. For further details, see "*Risk Factors – The ongoing novel coronavirus (COVID-19) pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations."* on page 33.

We are now focused on diversifying the industry sectors of the Customers we target. Our focus across industry sectors has enabled us to expand from a historical concentration in the travel and airline industry sector to other sectors of the economy. As compared to Fiscal 2019 when our Customers in the travel and airline industry contributed towards 79% of our total revenue, our revenue base expanded to our Customers in 51 different industries contributing to 85.36% and 90.60% of our total revenue (excluding travel sector) in Fiscal 2021 and for the nine months ended December 31, 2021, respectively. For further details, see *"Our Business*" on page 152.

Foreign currency fluctuations

We present our financial statements in Indian rupees. As on December 31, 2021, our operations are not significantly impacted by currency fluctuations as we only receive a portion of our transaction fees in foreign currency (primarily U.S. dollars). We earned nil, ₹7.24 million, ₹91.39 million and ₹15.01 million as international transaction fees in foreign currency in Fiscals 2019, 2020 and 2021 and nine months ended December 31, 2021, respectively, constituting nil, 0.33%, 2.62% and 0.18% of our total revenue in the same period. In addition, certain expenses such as professional fees and digital marketing fees are also transacted in foreign currency. We recorded a foreign exchange gain of ₹0.69 million in Fiscal 2020 and a foreign exchange loss of ₹0.35 million, ₹0.17 million and ₹0.14 million in Fiscal 2019, Fiscal 2021 and nine months ended December 31, 2021, respectively.

However, we are in the process of expanding our operations geographically outside India. We expect that this geographical expansion will result in an increase in the amount transacted on our platform in foreign currency. The exchange rate between Indian Rupee and foreign currencies, primarily U.S. dollars has fluctuated in the past and such fluctuations may impact our results of operations in the future.

Critical accounting policies and significant judgments and estimates

The preparation of Restated Consolidated Financial Information, requires us to make judgments, estimates and assumptions that affect the application of our accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. We evaluate the estimates and underlying assumptions on an ongoing basis.

For a description of our significant accounting policies, see "*Financial Statements – Annexure V, Notes to Restated Consolidated Financial Information" on page 240.* We believe that the following accounting estimates are critical in the preparation of Restated Financial Statements:

Revenue recognition

Sale of services

Revenue is measured based on the consideration specified in a contract with our customers net of variable consideration such as discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amount collected on behalf of third parties. We recognize revenue when it transfers control over a product or service to the customer. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur.

Where we act as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognized. Typically, we have a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognized as contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Service Fee from Merchants

We earn service fee from merchants and recognize such revenue when the control in services have been transferred by us, as and when services have been provided by us. Such service fee is generally determined as a percentage of transaction value executed by the merchants.

We derive our revenue primarily from the transaction fees and related services and licensing income. We recognize revenue on transaction fees immediately upon completion of successful transaction and the collectability is reasonably assured. Revenue from licensing is recognized over the implementation period based upon the terms of the contract.

Recognition of dividend income, interest income

Dividend income is recognized in profit or loss on the date on which our right to receive payment is established.

Interest income is recognized using the effective interest rate method.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to our Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits.

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to insignificant risk of changes in value.

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 our Group are segregated based on the available information.

Taxes on income

Income-tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the

best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- temporary differences related to investments in subsidiaries to the extent that our Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, we recognize a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Minimum Alternative Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 (the "**IT Act**") is recognized as current tax in the statement of Profit and Loss. The credit availed under the IT Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that we will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

The Taxation Laws (Amendment) Ordinance, 2019 (the "**Ordinance"**) was promulgated on September 20, 2019. The Ordinance has amended the Income Tax Act, 1961 and Finance Act, 2019 to inter-alia provide an option to domestic companies to pay income tax at a reduced tax of 22 percent plus applicable surcharge and cess with certain conditions to be met. We have opted to apply the provisions of section 115BAA from the Assessment year 2020-21 (year ended March 31, 2020) and accordingly, we have charged off the balance of MAT credit during the year ended March 31, 2020.

Property, Plant and Equipment

Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

Depreciation

Depreciation is provided using the straight-line method over the useful lives of the assets as estimated by our management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

Based on technical assessment and management estimate, we depreciate certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. We have estimated the following useful lives to provide depreciation on its property, plant and equipment:

Summary of the nature of asset and estimated useful life of the assets are as follows:

Computers	3 years
Servers and Networks	6 years
Computer and software	3 – 5 years
Office equipment	5 years
Furniture and fittings	10 years
Leasehold improvements	Over primary lease period or useful life, whichever less

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the statement of profit and loss.

Intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

Intangible assets consist of Patents and other rights under licensing agreement.

Intangible assets are amortized on a straight-line basis over the period of its economic useful life.

Summary of the nature of intangibles and their estimated useful lives as follows:

Patents	5 years
Applications	5 years

Business combination and Goodwill

Business combination

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by our Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognized in the statement of profit and loss."

Goodwill

The excess of the cost of acquisition over our Group's share in the fair value of the acquiree's identifiable assets and liabilities is recognized as goodwill. If the excess is negative, a bargain purchase gain is recognized in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. We make specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Share based payments

Employees of our Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made. The grant date fair value of options granted to employees is recognized as employee expense with a corresponding increase in employee stock options reserve, over the period in which the eligibility conditions are fulfilled and the employees unconditionally become entitled to awards. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and our Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in

employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of our Group at the exchange rates at the date of the transactions. Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realization or settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognized in the restated consolidated statement of profit and loss.

Foreign operations

The assets and liabilities of foreign operations, are translated into Indian rupees (INR), the functional currency of our Group at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.

Foreign currency translation differences are recognized in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

Leases

Lease contracts entered by our Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Our Company as a lessee:

We apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. We recognize lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

We determine the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if our Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if our Group is reasonably certain not to exercise that option. In assessing whether our Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for our Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. We revise the lease term if there is a change in the non-cancellable period of a lease.

We used the following practical expedients when applying Ind AS 116:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease."

Right of use asset

We recognize right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

Lease Liability

We measure the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, our Group uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. We recognize the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

Borrowings and Borrowing cost

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless our Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

Earnings per share

Basic earnings per share ("**EPS**") is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

Provision, contingent liabilities and contingent assets

Provision

A provision is recognized if, as a result of a past event, our Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized under finance costs. Expected future operating losses are not provided for. Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognized in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Initial Recognition and measurement

Financial assets and financial liabilities are initially recognized when our Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are categorized as under:

- Amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period our Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, our Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, our Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss.

Derecognition

Financial assets

A Financial asset is primarily derecognized when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which our Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If our Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

We derecognize a financial liability when its contractual obligations are discharged or cancelled, or expired.

We also derecognize a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Impairment of assets

Impairment of financial instruments

We recognize loss allowances for expected credit losses on financial assets measured at amortized cost and trade receivables. At each reporting date, our Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or

- the disappearance of an active market for a security because of financial difficulties.

We measure loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which our Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, our Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on our historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

We apply expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost (other than trade receivables)

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

We follow a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), our Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, our Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to our Group in accordance with the contract and all the cash flows that our Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, our Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated."

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when our Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with our Group's procedures for recovery of amounts due.

Segment Reporting

We have identified business segment as its primary segment and geographical segments as its secondary segment. Our business segment primarily relates to the business of providing B2B payment aggregator for payables and receivables. Our revenue breakdown by geographical segments are set forth in the following table:

	Nine months ended December 31,	For the year ended March 31,		
	2021	2021	2020	2019
India	8,419.37	3,392.61	2,154.15	2,358.50
Singapore	15.01	91.39	7.24	-
Rest of World	-	-	-	-
Total	**8,434.38**	**3,484.00**	**2,161.39**	**2,358.50**

Our revenue generated from Singapore primarily comprise billing to Visa and revenue from providing project development and management services in connection with Visa's Business Payment Solution Provider.

Key Components of Income and Expenses

We report our income and expenditure in the following manner:

Total Revenue

Our total revenue comprises our revenue from operations and other income.

Revenue from operations

Our revenue from operations primarily comprises sale of services. The sale of services primarily comprises local and international transaction fees.

Other income

Our other income primarily comprises interest income, income written back from previously made provisions, foreign exchange gain and other miscellaneous income.

Expenses

Cost of services

Cost of services primarily comprises bank transaction fees and payment gateway fees, which are charged per transaction by the payment gateway to cover the cost of providing access to the payment gateway. The bank transaction fees are charged per transaction by the financial institutions to cover the cost of providing their infrastructure for completing the transaction.

Employee benefits expense

Employee benefit expenses primarily comprises salaries, wages and bonus, contributions to provident fund and other funds, gratuity expense, share-based payments to employees and staff welfare expenses.

Depreciation and amortization expense

Depreciation and amortization expenses comprises depreciation on property, plant and equipment and right of use assets and amortization of intangible assets.

Finance cost

Finance cost primarily comprises interest expenses on financial liabilities at amortized cost, including borrowings and lease liabilities, and interest on delayed payment of statutory dues.

Other expenses

Other expenses primarily comprises lease rentals, electricity expenses, foreign exchange loss, insurance expenses, repairs and maintenance, rates and taxes, legal and professional fees, information technology expenses, travelling and conveyance expenses, audit fees, advertising charges, conveyances charges, office expenses, telephone charges, bank charges, membership and registration, provision for bad and doubtful debt and miscellaneous expenses.

Our Results of Operations

The following table sets forth select financial data from our Restated Consolidated Statement of Profit and Loss for nine months ended December 31, 2021 and Fiscals 2021, 2020, and 2019 and we have expressed the components of select financial data as a percentage of total revenue for such years:

	Nine months ended December 31,		**Fiscals**					
	2021		**2021**		**2020**		**2019**	
	(₹in million)	***(% of total revenue)***	***(₹in million)***	***(% of total revenue)***	***(₹in million)***	***(% of total revenue)***	***(₹in million)***	***(% of total revenue)***
Revenue from operations	8,434.38	99.97%	3,484.00	99.82%	2,161.39	99.44%	2,358.50	99.92%
Other income	2.80	0.03%	6.23	0.18%	12.24	0.56%	1.85	0.08%
Total Revenue	**8,437.18**	**100.00%**	**3,490.23**	**100.00%**	**2,173.63**	**100.00%**	**2,360.35**	**100.00%**
Expenses								
Cost of services	8,448.84	100.14%	3,485.08	99.85%	2,206.00	101.49%	2,304.74	97.64%
Employee benefits expense	348.10	4.13%	224.13	6.42%	143.07	6.58%	70.71	3.00%
Finance cost	1.44	0.02%	2.25	0.06%	5.96	0.27%	3.49	0.15%
Depreciation and amortization expense	17.04	0.20%	22.90	0.66%	22.08	1.02%	6.99	0.30%
Other expenses	49.56	0.59%	36.99	1.06%	74.20	3.41%	54.03	2.29%
Total Expenses	**8,864.98**	**105.07%**	**3,771.35**	**108.05%**	**2,451.31**	**112.77%**	**2,439.96**	**103.37%**
Profit/ (loss) before tax	**(427.80)**	**(5.07)%**	**(281.12)**	**(8.05)%**	**(277.68)**	**(12.77)%**	**(79.61)**	**(3.37)%**
Total tax expense	–	–	–	–	–	–	–	–
Profit / (loss) for the year	**(427.80)**	**(5.07)%**	**(281.12)**	**(8.05)%**	**(277.68)**	**(12.77)%**	**(79.61)**	**(3.37)%**
Other comprehensive income / (loss)	**3.34**	**0.04%**	**0.52**	**0.01%**	**(1.54)**	**(0.07)%**	**(0.98)**	**(0.04)%**
Total comprehensive income/ (loss) for the period	**(424.46)**	**(5.03)%**	**(280.60)**	**(8.04)%**	**(279.22)**	**(12.85)%**	**(80.59)**	**(3.41)%**

Nine months ended December 31, 2021

Our results of operations for the nine months ended December 31, 2021 were particularly impacted by the following factors:

- we enabled direct tax payments on our platform leading to an increase in TPV; and
- we added 391 Enterprise Customers, including Customer C (*masked name*), one of our top 10 customers as on December 31, 2021. Our number of Customers increased to 49,953 in nine months ended December 31, 2021 from 3,439 in Fiscal 2021.

Total revenue

Our total revenue was ₹8,437.18 million for nine months ended December 31, 2021.

Revenue from operations. Our revenue from operations was ₹8,434.38 million for the nine months ended December 31, 2021, primarily comprising of local transaction fees of ₹8,419.37 million and international transactional fees of ₹15.01 million.

Other income. Our other income was ₹2.80 million for nine months ended December 31, 2021, primarily comprising of interest income from income tax refund of ₹2.36 million.

Expenses

Cost of Services. The cost of services was ₹8,448.84 million for nine months ended December 31, 2021, comprising of bank transaction fees and payment gateway fees.

Employee benefits expense. The employee benefits expense was ₹348.10 million for nine months ended December 31, 2021, primarily comprising of share based payments to employees of ₹171.72 million and salaries, wages and bonuses of ₹167.76 million.

Finance costs. The finance costs was ₹1.44 million for nine months ended December 31, 2021, primarily comprising of finance costs on lease liabilities.

Depreciation and amortization expense. Our depreciation and amortization expense was ₹17.04 million for nine months ended December 31, 2021, primarily comprising of expenses in relation to depreciation and amortization of property plant, equipment and intangible assets.

Other expenses. Our other expenses was ₹49.56 million for nine months ended December 31, 2021, primarily comprising of information technology expenses of ₹15.84 million and rates and taxes of ₹11.09 million.

Profit/ (Loss) for the period

For the reasons discussed above, our loss for the period was ₹427.80 million for nine months ended December 31, 2021.

Other comprehensive income

Our other comprehensive income was ₹3.34 million for the nine months ended December 31, 2021, primarily due to remeasurements of the defined benefit liabilities / (asset) arising from the employee benefit plans.

Fiscal 2021 compared to Fiscal 2020

Total revenue

Our total revenue increased by 60.57% to ₹3,490.23 million for Fiscal 2021 from ₹2,173.63 million for Fiscal 2020. This increase was primarily due to an increase in revenue from operations, in part offset by a decrease in other income.

Revenue from operations. Our revenue from operations increased by 61.19% to ₹3,484.00 million for Fiscal 2021 from ₹2,161.39 million for Fiscal 2020, primarily due to an increase in the local transaction fees to ₹3,392.61 million in Fiscal 2021 from ₹2,154.15 million in Fiscal 2020 and an increase in international transaction fees to ₹91.39 million in Fiscal 2021 from ₹7.24 million in Fiscal 2020. This was primarily attributable to an increase in volume of transactions processed on our platform and number of Customers due to onboarding of financial institution partners and introduction of new service offerings on our platform such as GST payments. Our total number of Customers increased to 3,439 in Fiscal 2021 from 413 in Fiscal 2020.

Other income. Our other income decreased by 49.10% to ₹6.23 million for Fiscal 2021 from ₹12.24 million for Fiscal 2020, primarily due to a decrease in interest income from financial assets at amortized cost to ₹3.42 million in Fiscal 2021 from ₹7.26 million in Fiscal 2020. This is primarily attributable to the decrease in fixed deposits to nil in Fiscal 2021 from ₹51.12 million in Fiscal 2020.

Expenses

Cost of Services. The cost of services increased by 57.98% to ₹3,485.08 million for Fiscal 2021 from ₹2,206.00 million for Fiscal 2020, primarily due to an increase in banking transaction fees and payment gateway fees, which was in line with the increase in our revenue from operations. This was partially offset by a decrease in discount offered to Customers on vouchers and mobile recharge top up to ₹0.26 million in Fiscal 2021 from ₹93.85 million as we discontinued providing these solutions.

Employee benefits expense. The employee benefits expense increased by 56.66% to ₹224.13 million for Fiscal 2021 from ₹143.07 million for Fiscal 2020, primarily due to an increases in share-based payments to employees to ₹103.69 million in Fiscal 2021 from ₹7.89 million in Fiscal 2020. For further details in relation to ESOP 2006, see *"Capital Structure – Employee stock options plan of our Company"* on page 95. This was partially offset by a decrease in the salaries, wages and bonus to ₹112.56 million in Fiscal 2021 from ₹127.10 million in Fiscal 2020.

Finance costs. The finance costs decreased by 62.25% to ₹2.25 million for Fiscal 2021 from ₹5.96 million for Fiscal 2020, primarily as a result of lower interest expense payable as a result of repayment of borrowings and lower interest on delayed payment of statutory dues.

Depreciation and amortization expense. Our depreciation and amortization expense remained relatively flat at ₹22.90 million for Fiscal 2021 compared to ₹22.08 million for Fiscal 2020.

Other expenses. Our other expenses decreased by 50.15% to ₹36.99 million for Fiscal 2021 from ₹74.20 million for Fiscal 2020, primarily due to a decrease in:

- travel and conveyance expenses to ₹1.75 million in Fiscal 2021 from ₹8.13 million in Fiscal 2020 due to the outbreak of COVID-19 pandemic;
- office expenses to ₹5.60 million in Fiscal 2021 from ₹11.54 million in Fiscal 2020 as we terminated lease of office premises and switched to remote working due to the outbreak of COVID-19 pandemic;
- legal and professional fees to ₹16.89 million in Fiscal 2021 from ₹23.96 million in Fiscal 2020;
- rates and taxes to ₹0.39 million in Fiscal 2021 from ₹7.19 million in Fiscal 2020; and
- lease rentals to ₹0.28 million in Fiscal 2021 from ₹6.03 million in Fiscal 2020.

This was partially offset by an increase in information technology expenses to ₹8.01 million in Fiscal 2021 from ₹4.02 million in Fiscal 2020. This was primarily attributable to infrastructural improvement of our database.

Profit/ (Loss) for the period

For the reasons discussed above, our loss for the period increased by 1.24% to ₹281.12 million for Fiscal 2021 from ₹277.68 million for Fiscal 2020. As a result of the significant increase in our total revenue, our loss for the period as a percentage of revenue decreased significantly to 8.05% in Fiscal 2021 from 12.77% in Fiscal 2020.

Other comprehensive income

Our other comprehensive income increased by 66.24% to ₹0.52 million for Fiscal 2021 from ₹(1.54) million for Fiscal 2020, primarily due to remeasurements of the defined benefit liabilities / (asset) arising from the employee benefit plans.

Fiscal 2020 compared to Fiscal 2019

Total revenue

Our total revenue decreased by 7.91% to ₹2,173.63 million for Fiscal 2020 from ₹2,360.35 million for Fiscal 2019. This decrease was primarily due to a decrease in revenue from operations, in part offset by an increase in other income.

Revenue from operations. Our revenue from operations decreased by 8.36% to ₹2,161.39 million for Fiscal 2020 from ₹2,358.50 million for Fiscal 2019, primarily due to decrease in local transaction fees to ₹2,154.15 million

in Fiscal 2020 from ₹2,358.50 million in Fiscal 2019. This was primarily attributable to transaction volumes due to impact of COVID-19 pandemic in March 2020 and loss of revenues from one of our top five Customers that went in to liquidation. This was partially offset by an increase in international transaction fees to ₹7.24 million in Fiscal 2020 from nil in Fiscal 2019.

Other income. Our other income increased by 561.62% to ₹12.24 million for Fiscal 2020 from ₹1.85 million for Fiscal 2019, primarily due to increases in interest income from financial assets at amortized cost to ₹7.26 million in Fiscal 2020 from ₹1.04 million in Fiscal 2019, and income written back from previously made provisions to ₹3.95 million in Fiscal 2020 from ₹0.37 million in Fiscal 2019**.**

Expenses

Cost of Services. The cost of services decreased by 4.28% to ₹2,206.00 million for Fiscal 2020 from ₹2,304.74 million for Fiscal 2019, primarily due to a decrease in bank transaction fees and payment gateway fees to ₹2,112.15 million in Fiscal 2020 from ₹2,132.15 million in Fiscal 2019, as a result of lower transaction volumes. In addition, there was a decrease in the discount offered to Customers on vouchers or mobile recharge top up to ₹93.85 million in Fiscal 2020 from ₹172.59 million in Fiscal 2019, primarily due to the discontinuation of mobile recharge business between businesses and customers.

Employee benefits expense. The employee benefits expense increased by 102.33% to ₹143.07 million for Fiscal 2020 from ₹70.71 million for Fiscal 2019, primarily due to an increase in salaries, wages and bonus to ₹127.10 million in Fiscal 2020 from ₹66.08 million in Fiscal 2019. This was primarily attributable to an addition of 20 new employees in our Company and 14 new employees from Zaitech Technologies due to our merger with Zaitech Technologies.

Finance costs. The finance costs increased by 70.77% to ₹5.96 million for Fiscal 2020 from ₹3.49 million for Fiscal 2019, primarily due to an increase in interests on delay payment of statutory dues to ₹3.40 million in Fiscal 2020 from ₹0.54 million in Fiscal 2019.

Depreciation and amortization expense. Our depreciation and amortization expense increased by 215.88% to ₹22.08 million for Fiscal 2020 from ₹6.99 million for Fiscal 2019, primarily due to amortization of intangibles including costs on trademark applications and goodwill of the software application we acquired pursuant to our merger with Zaitech Technologies.

Other expenses. Our other expenses increased by 37.33% to ₹74.20 million for Fiscal 2020 from ₹54.03 million for Fiscal 2019, primarily due to an increase in:

- office expenses to ₹11.54 million in Fiscal 2020 from ₹0.53 million in Fiscal 2019;
- lease rentals to ₹6.03 million in Fiscal 2020 from ₹3.12 million in Fiscal 2019; and
- rates and taxes to ₹7.19 million in Fiscal 2020 from ₹1.36 million in Fiscal 2019.

This was partially offset by a decrease in legal and professional fees to ₹23.96 million in Fiscal 2020 from ₹33.43 million in Fiscal 2019.

Profit/ (Loss) for the period

For the reasons discussed above, our loss for the period increased by 248.80% to ₹277.68 million for Fiscal 2020 from ₹79.61 million for Fiscal 2019.

Other comprehensive income

Our other comprehensive income decreased by 56.91% to ₹(1.54) million for Fiscal 2020 from ₹(0.98) million for Fiscal 2019, primarily due to remeasurements of the defined benefit liabilities / (asset) arising from the employee benefit plans.

Cash flows and cash and cash equivalents

The following table sets forth our cash flows and cash and cash equivalents for the periods indicated:

(in ₹ million)

	As at December 31,	Fiscal		
	2021	**2021**	**2020**	**2019**
Net cash flows from/(used in) Operating Activities	(426.29)	(128.30)	(391.09)	(72.30)
Net cash flows from/(used in) Investing Activities	7.35	56.79	(131.24)	(12.33)
Net cash flows from/(used in) Financing Activities	477.00	(5.10)	620.91	81.55
Net increase / (decrease) in cash and cash equivalents	**58.06**	**(76.61)**	**98.58**	**(3.09)**
Opening balance of cash and cash equivalents	30.15	106.76	8.18	11.27
Closing balance of cash and cash equivalents	**88.21**	**30.15**	**106.76**	**8.18**

Operating activities

Net cash flows used in operating activities was ₹426.29 million for nine months ended December 31, 2021. Our loss for the period of ₹427.80 million was adjusted primarily for share-based payments to employees of ₹171.72 million and depreciation and amortization expenses of ₹17.04 million. Our changes in working capital for nine months ended December 31, 2021 primarily consisted of an increase in other financial assets of ₹225.97 million, increase in trade receivables of ₹67.57 million, increase in other non-financial liabilities of ₹40.68 million and decrease in trade payables of ₹92.00 million.

Net cash flows used in operating activities was ₹128.30 million for Fiscal 2021. Our loss for the year of ₹281.12 million was adjusted primarily for share-based payments to employees of ₹103.69 million and depreciation and amortization expenses of ₹22.90 million. Our changes in working capital for Fiscal 2021 primarily consisted of an increase in other financial assets of ₹27.01 million, a decrease in other non-financial assets of ₹9.63 million, an increase in trade receivables of ₹5.11 million and an increase in other non-financial liabilities of ₹3.76 million.

Net cash flows used in operating activities was ₹391.09 million for Fiscal 2020. Our loss for the year of ₹277.68 million was adjusted primarily for depreciation and amortization expenses of ₹22.08 million. Our changes in working capital for Fiscal 2020 primarily consisted of a decrease in other financial assets of ₹52.65 million, a decrease in other non-financial liabilities of ₹24.41 million and a decrease in other non-financial assets of ₹15.31 million.

Net cash flows used in operating activities was ₹72.30 million for Fiscal 2019. Our loss for the year of ₹79.61 million was adjusted primarily for depreciation and amortization expenses of ₹6.99 million. Our changes in working capital for Fiscal 2019 primarily consisted of an increase in provisions of ₹33.93 million, an increase in trade payables of ₹27.97 million and an increase in other non-financial liabilities of ₹15.43 million.

Investing activities

Net cash flows from investing activities was ₹7.35 million for nine months ended December 31, 2021, primarily due to proceeds from bank deposits of ₹5.35 million and interest received of ₹4.00 million. The amount was primarily utilized for our general working capital. These cash outflows were partially offset by capital expenditure of ₹2.00 million on property, plant and equipment, which comprise of information technology hardware and software.

Net cash flows from investing activities was ₹56.79 million for Fiscal 2021, primarily due to proceeds from bank deposits of ₹54.22 million and interest received of ₹2.70 million. The amount was primarily utilized for our general working capital. These cash outflows were partially offset by capital expenditure of ₹0.13 million on property, plant and equipment, which comprise of information technology hardware and software.

Net cash flows used in investing activities was ₹131.24 million for Fiscal 2020, primarily due to capital expenditure on property, plant and equipment of ₹79.71 million, investments in bank deposits of ₹58.07 million and interest received of ₹6.54 million. The amount was primarily utilized for deposits with interest-bearing accounts with recognized banking institutions. The capital expenditure on property, plant and equipment was primarily due to our merger with Zaitech Technologies.

Net cash flows used in investing activities was ₹12.33 million for Fiscal 2019, primarily due to investments in bank deposits of ₹8.85 million, capital expenditure on property, plant and equipment of ₹4.53 million and interest received of ₹1.05 million. The amount was primarily utilized for deposits with interest-bearing accounts with recognized banking institutions.

Financing activities

Net cash flows from financing activities was ₹477.00 million for nine months ended December 31, 2021, primarily due to proceeds from the issue of share capital of ₹482.54 million. For further details, see "*Capital Structure – Notes to Capital Structure – Share capital history of our Company*" on page 81.

Net cash flows used in financing activities was ₹5.10 million for Fiscal 2021, primarily due to repayment of lease liabilities of ₹3.88 million and repayment of interest on lease liabilities of ₹1.22 million.

Net cash flows from financing activities was ₹620.91 million for Fiscal 2020, primarily due to proceeds from the issue of share capital of ₹658.36 million. For further details, see "*Capital Structure – Notes to Capital Structure – Share capital history of our Company*" on page 81. This was partially offset by repayment of short-term borrowings of ₹31.34 million, repayment of lease liabilities of ₹3.17 million and repayment of interest on lease liabilities of ₹2.94 million.

Net cash flows from financing activities was ₹81.55 million for Fiscal 2019, primarily due to proceeds from the issue of share capital of ₹99.48 million. For further details, see "*Capital Structure – Notes to Capital Structure – Share capital history of our Company*" on page 81. This was partially offset by repayment of short-term borrowings of ₹9.23 million, repayment of lease liabilities of ₹2.84 million and repayment of interest on lease liabilities of ₹2.91 million.

Indebtedness

We had no outstanding indebtedness as of December 31, 2021.

Liquidity and Capital Resources

Our financial liabilities include short-term borrowings, lease liabilities and other financial liabilities. While we have not obtained external debt financing in the past three Fiscals and nine months ended December 31, 2021, we actively review our liquidity and capital position periodically to assess the need for treasury activities. We regularly monitor our capital levels to ensure that we are able to satisfy the requirements for maturity of our liabilities. We have also conducted equity issuances to raise additional capital resources in Fiscals 2021, 2020 and 2019. For details, see *"Risk Factors – We may not be able to obtain financing on favourable terms or at all*" on page 50.

Capital and other commitments

As of December 31, 2021, we do not have any contractual obligations.

Off-balance sheet commitments and arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Save as disclosed in this Draft Red Herring Prospectus, we are not aware of any material cash requirement which our management considers would have a material impact on our future operations.

Capital expenditure

Capital expenditure comprises of property, plant and equipment which comprise of information technology hardware and software, intangible assets which comprise of trademarks and goodwill of acquired software, and right of use assets. Our right of use assets mainly comprise of assets with a lease term of more than 12 months, and the lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

The following table sets forth our capital expenditure for the periods indicated:

(in ₹ million)

	Nine months ended December 31, 2021	Fiscal		
		2021	2020	2019
Property, Plant and Equipment	2.01	0.13	6.74	4.53

	Nine months ended December 31, 2021	Fiscal		
		2021	2020	2019
Right of Use Assets	0.00	0.00	0.00	0.00
Intangibles	0.00	0.00	73.05	0.00
Total	**2.01**	**0.13**	**79.79**	**4.53**

Contingent Liabilities

The following table sets forth our contingent liabilities as at March 31, 2019, 2020 and 2021 and December 31, 2021:

	As at December 31,	As at March 31,		
	2021	2021	2020	2019
Bank guarantee given to various parties	0.46	6.85	6.32	5.50
Claims against the company not acknowledged as debts for the period from FY 2007-2008 till FY 2014-15 towards short deduction & short payment of tax deducted at source including interest	-	-	0.68	-
Income tax demand	1.66	1.66	-	-
Service tax demand	1.19	1.19	-	-
Total	**3.31**	**9.70**	**7.00**	**5.50**

Quantitative and Qualitative Analysis of Market Risks

We have exposure to the following risks:

Credit Risk

Credit risk is the risk of financial loss to us if a Customer or counterparties fail to meet their contractual obligations, and principally arises from trade receivables, security deposits, bank deposits and loans. Our credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. We assess the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Our exposure to credit risk is influenced mainly by the individual characteristics of each Customer. The demographics of the Customer, including the default risk of the industry and country in which the Customer operates, also has an influence on credit risk assessment.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting obligations associated with financial liabilities, which principally arises from our borrowings. We measure our liquidity risk by conducting cash flow forecasts under the senior management's supervision, and manage the liquidity risk through working capital management and by channelizing our excess liquidity through bank deposits.

Auditor qualifications and emphasis of matter

There are no auditor qualifications which have not been given effect to in the Restated Financial Statements.

The following sets forth the emphasis of matter included in the audit report of our Statutory Auditors on the special purpose interim consolidated Ind AS financial statements as at and for the nine month period ended December 31, 2021, and the emphasis of matters included in the audit reports of RVKS & Associates, Chartered Accountants, on the special purpose consolidated Ind AS financial statements as at and for the years ended Fiscals 2020 and 2021:

Nine months ended December 31, 2021 and Fiscals 2020 and 2021

The Consolidated IGAAP financial statements for year ended March 31, 2020 were not placed before the shareholders for adoption in the Annual General Meeting and the Consolidated IGAAP financial statements for the year ended March 31, 2021 were not prepared therefore could neither be subjected to audit nor could be placed for approval / adoption by the board of directors and shareholders in the annual general meeting. We have

filed an application dated May 13, 2022 with the Registrar of Companies, Mumbai requesting for refiling of the Annual Returns for the said years with inclusion of the consolidated IGAAP financial statements, in terms of the remediation. We have made provision for estimated liability. Further, based on legal opinion received from an independent legal counsel and our internal assessment, our management believes that there will be there will be no further material impact of the same.

Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Known trends or uncertainties and significant economic changes

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*– Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on page 26. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our sales, revenue or income from continuing operations.

Future relationship between cost and revenue

Other than as described in "*Risk Factors*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Related party transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see *"Financial Statements – 29. Related party transactions"* on page 259.

Working Capital

We believe that our working capital is sufficient for our Company's present requirements.

Competitive conditions

We operate in a competitive environment. Please refer to *"Risk Factors*", *"Industry Overview",* "*Our Business*" and "*Risk Factors – Risks related to our Business and Industry"* on pages 26, 116, 152 and 26, for further information on our industry and competition.

Seasonality and cyclicality of business

Our business is not seasonal in nature.

Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Changes in revenue in the last three Fiscals and nine months ended December 31, 2021 are as described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Nine months ended December 31, 2021"*, "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2021 compared to Fiscal 2020*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2020 compared to Fiscal 2019*" above on pages 291, 292 and 293, respectively.

Significant dependence on single or few Customers

Revenues from any particular Customer may vary between financial reporting periods depending on the Customers' transaction volume on our platform.

The following table gives details in respect of revenues generated from top Customer and top 5 Customers:

(in ₹ million)

	Nine months ended December 31, 2021		Fiscal					
			2021		2020		2019	
	(₹in million)	*(% of revenue from operations)*	*(₹in million)*	*(% of revenue from operations)*	*(₹in million)*	*(% of revenue from operations)*	*(₹in million)*	*(% of revenue from operations)*
Revenue from top Customer	1,744.32	20.68%	594.12	17.05%	922.27	42.67%	1,353.55	57.39%
Revenue from top 5 Customers (other than the top Customer)	3,669.32	43.50%	1,677.59	48.15%	1,066.40	49.34%	946.75	40.14%

Our top Customer in Fiscal 2019, 2020 and 2021 and the nine months ended December 31, 2021 accounted for 57.39%, 42.67%, 17.05% and 20.68% of the revenue from operations in the corresponding period, respectively.

For further details, see *"Risk Factors – We derive a significant portion of our revenues from certain of our Customers. Our largest Customer and our top five Customers (other than our largest Customer) contributed 20.68% and 43.50% of our revenue from operations for the nine months ended December 31, 2021, respectively. Any loss of business from one or more of them may adversely affect our revenues and profitability"* on page 27.

New products or business segments

Except as disclosed in "*Our Business*" on page 152, and products that we announce in the ordinary course of business, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant developments occurring after December 31, 2021

Other than as specified below, there are no significant developments occurring after December 31, 2021:

- Our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our shareholders of the Company held on January 29, 2022 and consequently our name changed to PayMate India Limited pursuant to a new certificate of incorporation by the Registrar of Companies on March 7, 2022.

- We allotted 150 bonus shares for every one fully paid-up equity share with face value of ₹1 per Equity Share on January 14, 2022. For details on the allotment, see "*Capital Structure - Share capital history of our Company*" on page 81.

- We allotted 74,114 Equity Shares to H. H. Prince Fahad Bin Abdullah Bin Mohammed Al Saud on a private placement basis at an issue price of ₹ 515.79 per Equity Share on April 30, 2022. For details on the allotment, see "*Capital Structure - Share capital history of our Company*" on page 81.

Recent accounting pronouncements

As on the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements, which, we believe, would have a material effect on our financial condition or results of operations.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings, (ii) actions taken by regulatory or statutory authorities, (iii) claims related to direct and indirect taxes, and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, the Subsidiaries, the Promoters, and the Directors ("**Relevant Parties**"). Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against the Promoters in the last five financial years including any outstanding action.*

Further, there is no outstanding litigation involving the Group Company, which has a material impact on our Company.

For the purpose of (iv) above, the Board in its meeting held on May 25, 2022 has considered and adopted the Materiality Policy for identification of material litigation to be disclosed by our Company in this Draft Red Herring Prospectus.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Financial Years including outstanding action, and outstanding claims related to direct and indirect tax matters, would be considered "material" if:

a) the monetary amount of claim by or against the entity or person in any such pending proceeding is individually in excess of 1% of the revenue of the Company as per the Restated Financial Statements for the last financial year; or

b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed 1% of the revenue of the Company as per the Restated Financial Statements for the last financial year; or

c) which may not meet the monetary threshold stated above or where monetary liability is not quantifiable or any other outstanding litigation the outcome of which may have a material bearing on the business, operations, performance, prospects, financial position or reputation of the Company.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company exceeding ₹0.20 million, i.e., 5 % of the total outstanding dues of the Company as on the latest date of the Restated Financial Statements shall be considered as "material". Accordingly, as of December 31, 2021, any outstanding dues of exceeding ₹0.20 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.*

It is clarified that notices received by the Relevant Parties from third parties (excluding notices from statutory, regulatory or tax authorities or notices threatening criminal action) shall not be evaluated for materiality until the Relevant Parties are impleaded as defendants in proceedings before any judicial forum.

I. Litigation involving our Company

A. Litigation filed against our Company

a. Criminal proceedings

1. A complaint has been filed before the Chief Metropolitan Magistrate Court by Shri K K Venu, Income Tax Officer ("**Petitioner**") in December 2020 against our Company, our Promoters and one of our erstwhile Directors alleging non-compliance with the provisions of Sections 200 and 204 of the Income Tax Act read with Rule 30 of Income Tax Rules, 1962, each as amended, on account of delay by our Company in the payment of tax deducted at source for Financial Year 2018. The Petitioner has claimed an amount of ₹17.64 million against our Company. Thereafter, an order was passed by the Commissioner of Income Tax, Mumbai on

February 26, 2020 directing the Petitioner to prosecute our Company for these offences in a court of competent jurisdiction. Subsequently, our Company *suo moto* made an application before the Chief Commissioner of Income Tax, Mumbai for compounding of the aforementioned non-compliance on March 4, 2021 and has pursuant to the order of the Chief Commissioner of Income Tax, Mumbai dated June 7, 2021 paid the compounding charges of ₹2.71 million and is presently awaiting the closure letter from the Chief Commissioner of Income Tax.

b. Actions by regulatory and statutory authorities

1. The Stamp Collector Office, Mumbai under Maharashtra Stamp Act, 1958 issued a demand notice dated July 20, 2021 claiming an amount of ₹0.52 million as stamp duty ("**Notice of Demand**") against our Company in relation to the National Company Law Tribunal, Mumbai order dated May 11, 2020 passed for sanctioning the 2020 Scheme ("**NCLT Order**") which involved the transfer of the equity shares of Zaitech to our Company. Our Company had in turn, submitted an objection dated August 25, 2021 against the Notice of Demand and requested for the computation of the stamp duty to be shared. Upon receipt of the computation, we have made the payment of ₹0.52 million as stamp duty on November 29, 2021 and have requested for the certified and stamped copy of the NCLT Order.

c. Material civil proceedings

1. An interlocutory application in a company petition has been filed before the National Company Law Tribunal, Mumbai Bench ("**NCLT**") on July 30, 2021 by Ashutosh Agarwala, the resolution professional for Cox and Kings Limited against our Company and other persons alleging, *inter alia*, that the payments routed by Cox and Kings Limited using our platform were non-operational in nature and were used with an intent to divert funds. An amount of ₹1,771.50 million (excluding taxes), paid by Cox and Kings Limited to our Company as payment gateway charges, has been claimed by the resolution professional from our Company. Subsequently, we have filed an affidavit dated October 21, 2021, (i) objecting to the maintainability of the application due to misjoinder of the causes of action; (ii) submitting that only 0.07% of each successful transaction amounting to ₹61.50 million) was legitimately retained by our Company due to the transaction fees charged; (iii) denying any diversion of funds; and (iv) stating that no amount is recoverable from us by Cox and Kings Limited since the retained amount is the margin earned by our Company for our services. The matter is currently pending.

2. Paymate Pty Limited, a company having its registered office in California, USA, filed a rectification petition dated September 8, 2011 before the Intellectual Property Appellate Board ("**IPAB**") against our Company's trademark "PAYMATE" bearing no. 1455493 under class 36 of the Trademark Rules, 2002 alleging infringement by our Company. Paymate Pty Limited has submitted that it has been providing internet based payment services globally under its trademark since the year 2000 and registered its trademark in India on July 31, 2008. Our Company has filed a counterstatement dated February 20, 2016 along with an interlocutory application requesting condonation of the delay in submission of the same. We have submitted that our brand name has been in use in India since November 2005 and has been a registered trademark since May 15, 2006 and therefore, the rectification petition should be dismissed. The matter was pending before the IPAB, which has since been disbanded and the case is yet to be transferred to the relevant High Court.

d. **Other matters**

Our Company *suo moto* has made an application before the Chief Commissioner of Income Tax, Mumbai for compounding certain non-compliances of the Income Tax Act. For further details, see "- *Litigation filed against our Company - Criminal Proceedings*" on page 300 above.

II. Litigation involving the Promoters

A. Litigation filed against the Promoters

Criminal proceedings

For details regarding criminal proceedings against our Promoters, see "- *Litigation filed against our Company - Criminal Proceedings*" on page 300 above.

a. Actions by regulatory and statutory authorities

Nil

b. Disciplinary actions including penalty imposed by SEBI or the Stock Exchanges against the Promoters in the last five Financial Years

Nil

c. Material civil proceedings

Nil

B. Litigation filed by the Promoters

a. Criminal proceedings

Nil

b. Material civil proceedings

Nil

III. Litigation involving our Directors

A. Litigation filed against our Directors

a. Criminal proceedings

For details regarding criminal proceedings against our Directors, see "- *Litigation filed against our Company - Criminal Proceedings*" on page 300.

b. Actions by regulatory and statutory authorities

Nil

c. Material civil proceedings

Nil

B. Litigation filed by the Directors

a. Criminal proceedings

Nil

b. Material civil proceedings

Nil

IV. Tax Proceedings involving our Company, Subsidiaries, Promoters and Directors

Consolidated details of outstanding tax proceedings involving our Company, Subsidiaries, Promoters and Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of Proceedings	Number of Proceedings	Amount involved* (in ₹ million)
Direct Tax		
Company	1	0.70
Subsidiaries	-	-
Promoters	-	-
Directors	-	-
Sub-total (A)	1	0.70
Indirect Tax		
Company	1	1.19
Subsidiaries	-	-
Promoters	-	-
Directors	-	-
Sub-total (B)	1	1.19
Total (A+B)	**2**	**1.89**

**Such amount excludes any interest or penalty in relation to such tax proceedings*

Outstanding dues to creditors

In terms of the Materiality Policy, the creditors to whom the amount due by our Company exceeds 5% of the total outstanding dues of our Company as on December 31, 2021 (i.e., 5% of ₹4.08 million which is ₹0.20 million), as provided in the Restated Financial Statements have been considered as material creditors of our Company for the purposes of disclosure in this Draft Red Herring Prospectus. Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination are disclosed below:

Type of creditors	Number of creditors	Amount involved *(in ₹ million)*
Material creditors	5	1.84
MSME creditors	-	-
Other creditors	22	2.24
Total	**27**	**4.08**

The details pertaining to outstanding overdues to the material creditors along with names and amounts involved for each such material creditor are available on the website of our Company at https://paymate.in/investorRelations.html.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.paymate.in would be doing so at their own risk.

Material Developments

Other than as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 277, to our knowledge, no circumstances have arisen, since the date of the latest financial information disclosed in this Draft Red Herring Prospectus (*i.e.* December 31, 2021), which materially and adversely affect or are likely to affect our operations, our trading or profitability or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our Company considers certain approvals, consents, registrations and licences from various governmental and regulatory authorities as material for the purpose of undertaking its business activities and operations ("**Material Approvals**"). Except as disclosed herein, we have obtained all the Material Approvals, as on the date of this Draft Red Herring Prospectus and no further Material Approvals are required for carrying on the present business operations of our Company. In the event any of the Material Approvals that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus.*

For details in connection with the relevant laws and regulations governing the operations of our Company, see "Key Regulations and Policies" on page 174. For Offer related approvals and authorizations, see "The Offer" and "Other Regulatory and Statutory Disclosures – Authority for the Offer" on pages 64 and 305, and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 177.

A. Approvals in relation to our business

Material Licenses and Approvals obtained by our Company:

Under the Payment Aggregators Guidelines, our Company is required to obtain registration as a payment aggregator from the RBI. Accordingly, our Company has made an application for the same, see "*– Pending Applications"* below.

B. Approvals in relation to our Company

i) Tax registrations in relation to our Company

1. PAN bearing number AAECP0062G issued by the Income Tax Department;
2. TAN bearing number MUMP22632B issued by the Income Tax Department; and
3. GST registration number 27AAECP0062G1ZP.

ii) Other registrations/ certifications obtained by our Company

1. Certificate of Importer-Exporter Code dated October 22, 2019 issued by the Ministry of Commerce and Industry, Government of India;
2. Certificate from Legal Entity Identifier India Limited with LEI Code 335800FL7URBIAY7PE18;
3. Registration under Maharashtra Shop and Establishments (Regulations of Employment and Conditions of Service) Act, 2017 dated January 29, 2020;
4. Registration under the Employees' Provident Fund and Miscellaneous Provisions Act 1952; and
5. Registration under the Employee State Insurance Act, 1948.

C. Pending Applications

Our Company has, pursuant to a fresh application dated September 28, 2021 applied to the RBI for registration as a payment aggregator under the Payment Aggregators Guidelines.

For further details, see, "*Risk Factors - We operate in a regulated industry and are subject to evolving laws and regulation governing our business. In particular, if we are unable to obtain the authorization from the RBI pursuant to the Payment Aggregators Guidelines, our business may be adversely affected or we may not be able to conduct our business at all"* on page 26.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised pursuant to the resolution dated March 23, 2022 passed by the Board and the Fresh Issue has been authorised by way of a special resolution passed by the Shareholders dated March 25, 2022 under Section 62(1)(c) of the Companies Act, 2013. The Offer for Sale has been authorized by each of the Selling Shareholders as disclosed in "*The Offer*" on page 64. Our Board and the IPO Committee have approved this Draft Red Herring Prospectus pursuant to resolutions dated May 27, 2022 and May 28, 2022, respectively.

Each Selling Shareholder, severally and not jointly, confirms that, its portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the requirements set out under Regulation 8.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [•] and [•], respectively.

Prohibition by SEBI or Other Governmental Authorities

Our Company, the Promoters and the members of the Promoter Group, the Directors, the persons in control of our Company, and the Selling Shareholders are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any authority or court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, the Promoters, the members of the Promoter Group and the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of the Directors are associated with the securities market in any manner and there is no outstanding action that has been initiated by SEBI against the Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so*."

The Offer is being undertaken under Regulation 6(2) of the SEBI ICDR Regulations. We are therefore required to allot not less than 75% of the Net Offer to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. Further, not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000.

Further, our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, as follows:

(a) Neither our Company nor the Promoters, the members of the Promoter Group, the Directors and the Selling Shareholders are debarred from accessing the capital markets by SEBI.

(b) None of the Promoters or the Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) Neither our Company nor any of the Promoters or the Directors has been declared as a Wilful Defaulter or Fraudulent Borrower.

(d) None of the Promoters or the Directors is a fugitive economic offender.

(e) Except for the options granted pursuant to the ESOP 2006, the FCPS and the NCPCCPS, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus. For further information, see "*Capital Structure*" on page 79.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED, JM FINANCIAL LIMITED AND SBI CAPITAL MARKETS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 28, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, the Directors, the Selling Shareholders and the Book Running Lead Managers

Our Company, the Directors, the Selling Shareholders and the Book Running Lead Managers accept no responsibility for statements otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of

information, including our Company's website www.paymate.in, or any of the websites of any of the affiliates of our Company or the Selling Shareholders, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholders nor their respective directors, affiliates, associates and officers, as applicable, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Selling Shareholders in relation to itself and/or the respective portion of the Equity Shares offered by it through the Offer for Sale.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders (to the extent that the information pertains to itself and the Offered Shares) and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, as applicable, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Group Company, the Selling Shareholders and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Group Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933 ("U.S. Securities Act") or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Eligible Investors

The Equity Shares are only being offered and sold:

- in the United States to, or for the account or benefit of, persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "**U.S. QIBs**") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and

- outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur;

and in each case who are deemed to have made the representations set forth immediately below.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of the Red Herring Prospectus and Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with the Company, the Selling Shareholders and the members of the Syndicate that it has received a copy of the Red Herring Prospectus and Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(i) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(ii) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly are subject to restrictions on transfer and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(iii) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such

Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;

(iv) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(v) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an offshore transaction complying with Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States, the purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

(vi) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any such Equity Shares;

(vii) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

(viii) the purchaser agrees that neither the purchaser, nor any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), nor any person acting on behalf of the purchaser or any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or any "general solicitation" or "general advertising" (as defined in Regulation D under the U.S. Securities Act) in the United States in connection with any offer or sale of the Equity Shares;

(ix) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

"THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OR ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND ACCORDINGLY, THE EQUITY SHARES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED (I) WITHIN THE UNITED STATES SOLELY TO PERSONS WHO ARE REASONABLY BELIEVED TO BE "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT OR ANOTHER EXEMPTION FROM, OR TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND (II) OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT, AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR."

(x) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(xi) the purchaser acknowledges that the Company, the Selling Shareholders, the members of the Syndicate, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such

Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of the Red Herring Prospectus and Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company and the members of the Syndicate that it has received a copy of the Red Herring Prospectus and the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(i) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(ii) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered, resold, pledged or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(iii) the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Regulation S under the U.S. Securities Act;

(iv) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

(v) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(vi) the purchaser acknowledges that the Company, the Selling Shareholders, the members of the Syndicate, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer and [•] is the Designated Stock Exchange, with which the Basis of Allotment will be finalised for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all

steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date or such period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Each of the Selling Shareholders, severally and not jointly, undertake to provide such reasonable assistance as may be requested by our Company, to the extent such assistance is required from such Selling Shareholders in relation to its respective portion of the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

Consents

Consents in writing of: (a) the Selling Shareholders, the Directors, the Statutory Auditors, the Company Secretary and Compliance Officer, the legal counsel to the Company, the Promoter Selling Shareholders and Other Selling Shareholders as to Indian law, legal counsel to the respective Investor Selling Shareholders as to Indian law, legal counsel to the Book Running Lead Managers as to Indian law, international legal counsel to the Book Running Lead Managers, RedSeer, the Book Running Lead Managers and the Registrar to the Offer, to act in their respective capacity have been obtained; and (b) the Syndicate Members, Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s), Sponsor Bank(s) and Monitoring Agency to act in their respective capacities, will be obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act. Further, such consents shall not be withdrawn up to the time of the filing of the Red Herring Prospectus with the RoC.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated May 27, 2022 from the Statutory Auditors, MSKA & Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their (i) examination report dated May 25, 2022 on the Restated Financial Statements; and (ii) their report dated May 27, 2022 on the statement of possible special tax benefits in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, our Company has received written consent dated May 27, 2022 from RVKS and Associates, independent chartered accountants to include their name, as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues during the last five years

Our Company has not undertaken any public issue in the five years preceding the date of this Draft Red Herring Prospectus. Except as disclosed in "*Capital Structure – Notes to Capital Structure*" on page 81, our Company has not undertaken any rights issues in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three years by our Company

Except as disclosed in "*Capital Structure*" on page 79, our Company has not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three years by listed group companies, subsidiaries and associates of our

Company

The Group Company and Subsidiaries are not listed on any stock exchange. Accordingly, the Group Company and Subsidiaries have not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any associate.

Performance vis-à-vis objects

Our Company has not undertaken any public issue in the five years preceding the date of this Draft Red Herring Prospectus. Except as disclosed in "*Capital Structure – Notes to Capital Structure*" on page 81, our Company has not undertaken any rights issues in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects - Public/rights issue of the listed subsidiaries and promoters of our Company

Our Company does not have a corporate Promoter. Further, as on date of this Draft Red Herring Prospectus, our Subsidiaries are not listed on any stock exchange.

Price information of past issues handled by the Book Running Lead Managers

A. ICICI Securities Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited

S. No.	Issue name	Issue size *(in ₹ million)*	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Go Fashion (India) Limited^^	10,136.09	662.00(2)	November 30, 2021	1,310.00	+59.75%, [+1.36%]	+32.91%, [-1.91%]	+48.90%, [-3.71%]
2.	Star Health and Allied Insurance Company Limited^^	60,186.84	690.00	December 10, 2021	845.00	-14.78%, [+1.72%]	-29.79%, [-6.66%]	NA*
3.	Shriram Properties Limited^^	6,000.00	900.00(3)	December 20, 2021	90.00	-12.42%, [+9.02%]	-33.39%, [+4.05%]	NA*
4.	Metro Brands Limited^	13,675.05	118.00(4)	December 22, 2021	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	NA*
5.	Supriya Lifescience Limited^	7,000.00	500.00	December 28, 2021	425.00	+78.61%, [-0.07%]	+72.12%, [-0.92%]	NA*
6.	AGS Transact Technologies Limited^	6,800.00	274.00	January 31, 2022	176.00	-42.97%, [-3.05%]	-28.63%, [-1.64%]	NA*
7.	Adani Wilmar Limited^^	36,000.00	175.00	February 8, 2022	227.00	+48.00%, [-5.34%]	+180.96%, [-4.95%]	NA*
8.	Vedant Fashions Limited^^	31,491.95	230.00(5)	February 16, 2022	935.00	+3.99%, [-0.20%]	+14.53%, [-8.54%]	NA*
9.	Life Insurance Corporation of India^	2,05,572.31	866.00	May 17, 2022	867.20	NA*	NA*	NA*
10.	Prudent Corporate Advisory Services Limited	4,282.84	949.00	May 20, 2022	660.00	NA*	NA*	NA*

**Data not available.*
^BSE as designated stock exchange
^^NSE as designated stock exchange

Notes:

(1) Discount of Rs. 80 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 900.00 per equity share.
(2) Discount of Rs. 11 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 118.00 per equity share.
(3) Discount of Rs. 21 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 230.00 per equity share.
(4) Discount of Rs. 45 per equity share offered to eligible employees and Retail Individual Bidders. Discount of Rs. 60 per equity share offered to eligible policyholders. All calculations are based on Issue Price of Rs. 949.00 per equity share.
(5) Discount of Rs. 59 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 630.00 per equity share.

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (*in ₹ million*)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-23*	2	2,09,855.15	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	26	7,43,520.19	-	3	6	6	4	7	2	3	4	4	2	3
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	1	3	5	3	2

** This data covers issues up to YTD*

Notes:

1. *Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.*
2. *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.*

B. HSBC Securities and Capital Markets (India) Private Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by HSBC Securities and Capital Markets (India) Private Limited*

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Yes Bank Limited (FPO) (1)	150,000.00	12.00	July 27, 2020	12.30	+23.00%, [+2.40%]	+11.25%, [+7.25%]	+41.67%, [+28.85%]
2.	Indian Railway Finance Corporation Limited (IPO) (2)	46,333.79	26.00	January 29, 2021	24.90	-5.19%, [+6.56%]	-18.65%, [+9.02%]	-11.15%, [+15.49%]
3.	Nuvoco Vistas Corporation Limited (IPO) (1)	50,000.00	570.00	August 23, 2021	471.00	-5.83%, [+6.21%]	-9.74%, [+7.34%]	-32.76%, [+4.10%]

Source: www.nseindia.com and www.bseindia.com
(1) BSE as Designated Stock Exchange
(2) NSE as Designated Stock Exchange

Notes:

1. *Issue Size derived from Prospectus/final post issue reports, as available.*
2. *Nifty Index and Sensex is considered as the Benchmark Index as per the designated stock exchange (NSE or BSE)*
3. *Price on designated stock exchange (NSE or BSE) as disclosed by the respective issuer at the time of issue has been considered for all of the above calculations.*
4. *% of change in closing price on 30th/ 90th/ 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day*
5. *In case 30th/ 90th/ 180th day is not a trading day, closing price on designated stock exchange (NSE or BSE) of the previous trading day has been considered.*

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by HSBC Securities and Capital Markets (India) Private Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (*in ₹ million*)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	1	50,000.00	-	-	1	-	-	-	-	1	-	-	-	-
2020-21	2	196,333.79	-	-	1	-	-	1	-	-	1	-	1	-

The information is as on the date of this Offer Document.
The information for each of the period is based on issues listed during such period.

C. JM Financial Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by JM Financial Limited*

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Life Insurance Corporation of India#[9]	205,572.31	949.00	May 17, 2022	867.20	NA	NA	NA
2.	Campus Activewear Limited*[8]	13,997.70	292.00	May 05, 2022	360.00	NA	NA	NA
3.	AGS Transact Technologies Limited#	6,800.00	175.00	January 31, 2022	176.00	-42.97% [-3.05%]	-28.63% [-1.64%]	NA
4.	CMS Info Systems Limited#	11,000.00	216.00	December 31, 2021	218.50	21.99% [-1.81%]	25.35% [0.74%]	NA
5.	Data Patterns (India) Limited*	5,882.24	585.00	December 24, 2021	856.05	29.70% [3.61%]	13.56% [1.42%]	NA
6.	C.E. Info Systems Limited#	10,396.06	1,033.00	December 21, 2021	1,581.00	70.21% [6.71%]	48.48% [2.74%]	NA
7.	Tega Industries Limited*	6,192.27	453.00	December 13, 2021	760.00	30.70% [3.96%]	1.02% [-4.25%]	NA
8.	Go Fashion (India) Limited*	10,136.09	690.00	November 30, 2021	1,310.00	59.75% [1.36%]	32.91% [-1.91%]	48.90% [-3.71%]
9.	Sapphire Foods India Limited*	20,732.53	1,180.00	November 18, 2021	1,350.00	3.69% [-4.39%]	20.78% [-2.32%]	-7.85% [-10.82%]
10.	FSN – E-Commerce Ventures Limited*[7]	53,497.24	1,125.00	November 10, 2021	2018.00	92.31% [-2.78%]	68.46% [-4.46%]	36.80% [-8.91%]

Source: www.nseindia.com and www.bseindia.com

 # BSE as Designated Stock Exchange
** NSE as Designated Stock Exchange*

Notes:

1. *Opening price information as disclosed on the website of the Designated Stock Exchange.*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of Rs. 100 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
8. *A discount of Rs. 27 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *A discount of Rs. 45 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion and Retail Individual Investors. A*

discount of Rs. 60 per Equity Share was offered to Policy holders.

10. *Not Applicable – Period not completed*

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by JM Financial Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (*in ₹ million*)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023	2	2,19,570.01	-	-	-	-	-	-	-	-	-	-	-	-
2021-2022	17	2,89,814.06	-	1	2	5	5	4	-	2	1	4	2	2
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	5	2	1

D. SBI Capital Markets Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited*

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Paradeep Phosphates Limited@	15,017.31	42.00	May 27, 2022	43.55	NA	NA	NA
2.	Life Insurance Corporation of India (1)@	205,572.31	949.00	May 17, 2022	867.20	NA	NA	NA
3.	Star Health and Allied Insurance Company Ltd (2)#	64,004.39	900.00	December 10,2021	845.00	-14.78% [+1.72%]	-29.79% [-6.66%]	NA
4.	Tarsons Products Limited (3)@	8,738.40	662.00	November 26, 2021	700.00	-4.16% [+0.03%]	-4.46% [+0.22%]	0.20% [-5.35%]
5.	Aditya Birla Sun Life AMC Limited#	27,682.56	712.00	October 11, 2021	715.00	-11.36% [+0.55%]	-23.85% [-0.74%]	-25.65% [-0.90%]
6.	Nuvoco Vistas Corporation Limited@	50,000.00	570.00	August 23, 2021	471.00	-5.83% [+6.21%]	-9.74% [+7.34%]	-32.76% [4.10%]
7.	Windlas Biotech Limited@	4,015.35	460.00	August 16, 2021	439.00	-18.02% [+4.79%]	-34.42% [+9.18%]	-37.01% [+4.62%]
8.	Glenmark Life Sciences Limited@	15,136.00	720.00	August 06, 2021	751.10	-6.38% [+7.10%]	-12.94% [+10.12%]	-20.67% [+8.45%]
9.	G R Infraprojects Limited (4)@	9,623.34	837.00	July 19, 2021	1,700.00	90.61% [+6.16%]	138.67% [+16.65%]	132.16% [+16.50%]
10.	Shyam Metalics and Energy Limited (5)@	9,085.50	306.00	June 24, 2021	367.00	41.08% [+0.53%]	22.88% [+11.97%]	0.96% [+5.93%]

Source: www.nseindia.com and www.bseindia.com

Notes:

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

** *The information is as on the date of this document.*

**The information for each of the financial years is based on issues listed during such financial year.*

@ The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange.

 # The Nifty 50 index is considered as the Benchmark Index, NSE being the designated stock exchange.

1 *Price for retail individual bidders and eligible employee was Rs 904.00 per equity share and for Eligible Policy Holders and was Rs 889.00 per equity share.*

2 *Price for eligible employee was Rs 820.00 per equity share.*

3 *Price for eligible employee was Rs 639.00 per equity share.*

4 *Price for eligible employee was Rs 795.00 per equity share.*

5 *Price for eligible employee was Rs 291.00 per equity share.*

Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (*in ₹ million*)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-23*	2	220,589.62	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	10	2,17,814.28	-	-	6	1	2	1	-	3	1	3	-	2
2020-21	7	1,05,087.00	-	-	5	-	2	-	-	1	3	-	2	1

** The information is as on the date of this Offer Document.*

 # Date of Listing for the issue is used to determine which financial year that particular issue falls into.

Track record of past issues handled by the BRLMs

For further information regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs mentioned below:

BRLM	Website
ICICI Securities Limited	www.icicisecurities.com
HSBC Securities and Capital Markets (India) Private Limited	https://www.business.hsbc.co.in/en-gb/in/generic/ipo-open-offer-and-buyback
JM Financial Limited	www.jmfl.com
SBI Capital Markets Limited	www.sbicaps.com

Stock market data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. Our Company has appointed Nanda Harish, the Company Secretary of our Company, as the Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "*General Information*" on page 70.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, under the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, investors shall be compensated by the SCSBs in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same ASBA application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications within the stipulated period. The SCSBs shall be liable to compensate investors at a rate higher of ₹100 per day or 15% per annum of the specified amount for the period of such delay. In an event there is a delay in redressal of investor grievances in relation to unblocking of amounts beyond the date of receipt of the complaint, subject to and in accordance with the provisions of the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the Book Running Lead Managers shall be liable to compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount for the period of such delay, to the extent applicable. Further, in terms of SEBI circular

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Managers, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

In case of any grievance/ concerns, the Syndicate Members or the investors may also reach out to the Book Running Lead Managers on their dedicated email-ids mentioned on the cover page.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the relevant Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company, the Selling Shareholders, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of investor grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company shall, post the filing of this Draft Red Herring Prospectus, apply for the authentication on the SCORES in terms of the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014, the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, and the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 issued by SEBI in relation to redressal of investor grievances through SCORES.

Further, the Board has constituted a Stakeholders' Relationship Committee comprising the Directors, Ashim Kumar Banerjee, Ajay Adiseshan, Sandeep Murthy and Kevin Christopher Phalen, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "*Our Management – Board Committees*" on page 199.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Exemption from complying with any provisions of securities laws granted by the SEBI

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI.

SECTION VII - OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the Abridged Prospectus and other terms and conditions as may be incorporated in the Allotment Advices and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by SEBI, Government of India, Stock Exchanges, the RoC, RBI and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Ranking of Equity Shares

The Equity Shares being offered and Allotted/transferred in the Offer will be subject to the provisions of the Companies Act, 2013, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company. For more information, see "*Main Provisions of the Articles of Association*" on page 349.

Mode of payment of dividend

Our Company will pay dividend, if declared, to the Shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer will be received by the Allottees in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 213 and 349, respectively.

Face value, Offer Price, and Price Band

The face value of each Equity Share is ₹1. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹[•] and the Cap Price of the Equity Shares is ₹[•]. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the Book Running Lead Managers, and shall be advertised at least two Working Days prior to the Bid/Offer Opening Date, in [•] editions of [•] (a widely circulated English national daily newspaper) [•] editions of [•] (a widely circulated Hindi national daily newspaper) and [•] editions of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where the Registered and Corporate Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges.

The Offer Price shall be determined by our Company, in consultation with the Book Running Lead Managers, after the Bid/Offer Closing Date.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable law and the Articles of Association, the Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "*Main Provisions of the Articles of Association*" on page 349.

Allotment only in dematerialised form

In terms of Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- tripartite agreement dated November 3, 2021 among our Company, NSDL and the Registrar to the Offer; and
- tripartite agreement dated November 24, 2021 among our Company, CDSL and the Registrar to the Offer.

Market lot and trading lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of [•] Equity Shares, subject to a minimum Allotment of [•] Equity Shares. For the method of the Basis of Allotment, see "*Offer Procedure*" on page 328.

Joint holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination facility

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest, to the exclusion of all other person, unless the nomination is verified or cancelled in the prescribed manner. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination shall stand rescinded upon a sale or transfer of Equity Shares by the holder of such Equity Shares. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A fresh nomination can be made only on the prescribed form, which is available on request at the Registered and Corporate Office or with the registrar and transfer agent of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/Offer Period

BID/OFFER OPENS ON*	[•]
BID/OFFER CLOSES ON**	[•][#]
FINALISATION OF THE BASIS OF ALLOTMENT	[•]
INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/UNBLOCKING OF FUNDS FROM ASBA ACCOUNTS***	[•]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[•]
COMMENCEMENT OF TRADING	[•]

** Our Company, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
*** Our Company, in consultation with the Book Running Lead Managers, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date.*
**** In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*
[#]UPI mandate end time shall be [•] on [•].

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The above timetable, is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of the Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/Offer Period by our Company, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Each Selling Shareholder, severally and not jointly, confirms that it shall extend all co-operation in relation to the Offered Shares required under applicable law and as reasonably requested by our Company and/or the Book Running Lead Managers for the timely completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other time as may be prescribed by SEBI.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the

SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the same Working Day and submit the confirmation to the Book Running Lead Managers and the Registrar to the Offer not later than the next working day from the finalization of basis of allotment by the Registrar to the Offer, as per the format prescribed in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Book Running Lead Managers will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for initial public offerings. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised circulars to this effect from SEBI.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. Indian Standard Time

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. Indian Standard Time in case of Bids by QIBs and Non-Institutional Investors, and

ii. until 5.00 p.m. Indian Standard Time or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the Book Running Lead Managers to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Offer Closing Date. Bidders are cautioned that if a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Bids will be accepted only on Working Days.

Our Company, in consultation with the Book Running Lead Managers, reserves the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a public notice and by indicating the change on the websites of the Book Running Lead Managers and terminals of the Syndicate Members and will also be intimated to SCSBs, the Registered Brokers, CRTAs and CDPs. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; or (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, if any, in accordance with applicable laws, or if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued or offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum or such other rate as prescribed under applicable law.

The requirement for minimum subscription is not applicable to the Offer for Sale.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

In the event of an undersubscription in the Offer, the Equity Shares will be Allotted in the following order:

i. such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;

ii. upon (i), all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Selling Shareholder); and

iii. once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion.

Each Selling Shareholder shall reimburse, severally and not jointly, and only to the extent of the Equity Shares offered by such Selling Shareholders in the Offer, any expenses and interest incurred by our Company on behalf of such Selling Shareholder for any delays in making refunds as required under the Companies Act, 2013 and any other applicable law, provided that such Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder in relation to its portion of the Offered Shares.

Arrangement for disposal of odd lots

Since the Equity Shares will be traded in dematerialised form only and the market lot for the Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer of shares and transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, the Minimum Promoters' Contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" on page 79, and except as provided in the Articles of Association as detailed in "*Main Provisions of the Articles of Association*" on page 349, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Fresh Issue and the Selling Shareholders, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Managers, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly. If our Company, in consultation with the Book Running Lead Managers withdraws the Offer after the Bid/ Offer Closing Date and thereafter determine that the Company will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to (i) the filing of the Prospectus with the RoC; and (ii) obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

OFFER STRUCTURE

Initial public offering of [•] Equity Shares for cash at a price of ₹[•] per Equity Share (including a share premium of ₹[•] per Equity Share) aggregating up to ₹15,000.00 million, comprising a Fresh Issue of [•] Equity Shares aggregating up to ₹11,250.00 million by our Company and an Offer for Sale of [•] Equity Shares aggregating up to ₹3,750.00 million by the Selling Shareholders. The Offer includes an Employee Reservation Portion of up to [•] Equity Shares aggregating up to ₹[•] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer less the Employee Reservation Portion is the Net Offer. The Offer and the Net Offer shall constitute [•]% and [•]%, respectively, of the fully diluted post-Offer paid-up Equity Share capital of our Company.

Our Company may, at its discretion, consider issuing Equity Shares on a private placement basis for cash consideration aggregating up to ₹2,250.00 million, prior to filing of the Red Herring Prospectus with the RoC. The price of the securities allotted pursuant to the Pre-IPO Placement shall be determined by our Company in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

In terms of Rule 19(2) (b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations.

	Eligible Employees#	**QIBs***	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation**	Up to [•] Equity Shares	Not less than [•] Equity Shares	Not more than [•] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Investors	Not more than [•] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer size available for allocation	Up to [•]% of the Net Offer	Not less than 75% of the Net Offer being available for allocation to QIBs. However, up to 5% of the QIB Category (excluding Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Category. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not more than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Investors. Further, one-third of the Non-Institutional Category will be made available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.	Not more than 10% of the Net Offer or the Net Offer less allocation to QIBs Bidders and Non-Institutional Investors
Basis of Allotment if respective category is oversubscribed	Proportionate; unless the Employee Reservation Portion is under-subscribed, the value of allocation to	Proportionate as follows (excluding the Anchor Investor Portion):	The allotment to each non-institutional investor shall not be less than the minimum Bid Lot, subject to availability of Equity	The allotment to each Retail Individual Investors shall not be less than the minimum Bid Lot, subject to

	Eligible Employees#	QIBs*	Non-Institutional Investors	Retail Individual Investors
	an Eligible Employee shall not exceed ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees Bidding in the Employee Reservation Portion for value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount if any).	(a) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Category (of up to [•] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price	Shares in the Non-Institutional Category and the remaining available Equity Shares if any, shall be allotted on a proportionate basis, in accordance with Schedule XIII of the SEBI ICDR Regulations.	availability of Equity Shares in the Retail Category and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For further details, see the General Information Document.
Mode of Bidding	Through ASBA process only (including the UPI Mechanism)	Through ASBA process only except for Anchor Investors (excluding the UPI Mechanism)	Through ASBA process only (including the UPI Mechanism for an application size of up to ₹500,000)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	[•] Equity Shares	Such number of Equity Shares in multiples of [•] Equity Shares such that the Bid Amount exceeds ₹200,000 and in multiples of [•] Equity Shares thereafter	Such number of Equity Shares in multiples of [•] Equity Shares such that the Bid Amount exceeds ₹200,000 and in multiples of [•] Equity Shares thereafter	[•] Equity Shares
Maximum Bid	Such number of Equity Shares and in multiples of [•] Equity Shares, so that the maximum Bid Amount by each Eligible Employee does not exceed ₹500,000, less Employee Discount, if any	Such number of Equity Shares in multiples of [•] Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [•] Equity Shares so that the Bid does not exceed the Offer (excluding the QIB Category), subject to applicable limits	Such number of Equity Shares in multiples of [•] Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[•] Equity Shares and in multiples of [•] Equity Shares thereafter			
Allotment Lot	[•] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			

	Eligible Employees#	QIBs*	Non-Institutional Investors	Retail Individual Investors
Who can Apply***	Eligible Employees	Public financial Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, FVCIs, VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs having a net-worth of more than five hundred crore rupees as per the last audited financial statements	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts and any individuals, corporate bodies and family offices which are recategorised as Category II FPI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs
Terms of Payment****	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ***In case of all other Bidders:*** Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form			

**Assuming full subscription in the Offer*

 # Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. An Eligible Employee Bidding in the Employee Reservation Portion (subject to Bid Amount being up to ₹200,000) can also Bid in the Retail Category, and such Bids shall not be considered multiple Bids. However, Bids by Eligible Employees Bidding in the Employee Reservation Portion and in the Non-Institutional Category shall be treated as multiple Bids. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. Further, one-third of the Non-Institutional Category will be made available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

** Our Company, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Category to Anchor Investors at the price at which allocation is made to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*

*** Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR in compliance with Regulation 6(2) of the SEBI ICDR Regulations.*

****In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories. The Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

*****Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable on the Anchor Investor pay-in date as mentioned in the CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them. For further information on terms of payment applicable to Anchor Investors, see "Offer Procedure – Payment into Escrow Account for Anchor Investors" on page 345.*

Under-subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion, subject to the Net Offer constituting [•]% of the post-Offer equity share capital of the Company.

OFFER PROCEDURE

All Bidders should read the General Information Document, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer, (ii) maximum and minimum Bid size, (iii) price discovery and allocation, (iv) payment instructions for ASBA Bidders, (v) issuance of Confirmation of Allocation Note and Allotment in the Offer, (vi) general instructions (limited to instructions for completing the Bid cum Application Form), (vii) Designated Date, (viii) disposal of applications, (ix) submission of Bid cum Application Form, (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds), (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications, (xii) mode of making refunds, and (xiii) interest in case of delay in Allotment or refund.

*SEBI through the SEBI UPI Circulars introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for UPI Phase II till further notice from SEBI. Thereafter, the final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Offer will be made under UPI Phase II of the SEBI UPI Circulars, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 except as set out in circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.*

Furthermore, pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

The BRLMs shall be the nodal entity for any issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 271 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be Allotted on a proportionate basis to QIBs, provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Category. Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

The Offer includes a reservation of up to [•] Equity Shares, aggregating up to ₹[•] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed [•]% of our post-Offer paid-up Equity Share capital subject to valid Bids being received at or above the Offer Price, net of Employee Discount, if any.

Under-subscription, if any, in any category, including the Employee Reservation Portion, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange subject to receipt of valid Bids at or above the Offer Price. Under-subscription, if any, in the QIB Category, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

Phased implementation of UPI

SEBI has issued the SEBI UPI Circulars in relation to streamlining the process of public issue of, among others, equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till

June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by UPI Bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement of this phase is yet to be notified by SEBI. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase II of the SEBI UPI Circulars, unless UPI Phase III of the SEBI UPI Circulars becomes effective and applicable on or prior to the Bid/ Offer Opening Date. If the Offer is made under UPI Phase III of the SEBI UPI Circulars, the same will be advertised in [•] editions of [•], an English national daily newspaper, [•] editions of [•], a Hindi national daily newspaper and [•] editions of [•], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation, on or prior to the Bid/ Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

i. a Syndicate Member;

ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

iii. a Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Managers.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at the Registered and Corporate Office. The electronic copy of the Bid cum Application Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the Book Running Lead Managers.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

All ASBA Bidders must provide either, (i) bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSBs or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	[•]
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis ^	[•]
Anchor Investors**	[•]
Eligible Employees Bidding in the Employee Reservation Portion$	[•]

** Excluding electronic Bid cum Application Forms.*

***Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Managers.*

$ Bid cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion shall be available at the Registered and Corporate Office of our Company.

^Electronic Bid cum Application Forms and the Abridged Prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than UPI Bidders using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing

Participation by the Promoters, the members of the Promoter Group, the Book Running Lead Managers, the Syndicate Members and persons related to the Promoters/the members of the Promoter Group/the Book Running Lead Managers

The Book Running Lead Managers and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the Book Running Lead Managers and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Category, where the allocation is on a proportionate basis, or the Non-Institutional Category, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the Book Running Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers;

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers;

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the Book Running Lead Managers.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoters and the member of the Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to the Promoters or the members of the Promoter Group of our Company:

(i) rights under a shareholders' agreement or voting agreement entered into with the Promoters or the members of the Promoter Group of our Company;

(ii) veto rights; or

(iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, among the Anchor Investors and the Book Running Lead Managers.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([•] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([•] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 348.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

Bids by HUFs

Bids by HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of the post-Offer Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company. With effect from April 1, 2020, the aggregate limit by FPIs shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([•] in colour).

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the applicable limits, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Offer shall (i) use the PAN issued by

the Income Tax Department of India for checking compliance for a single FPI, and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs, (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs, (iii) such offshore derivative instruments are issued after compliance with "know your client" norms, and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, among others, the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be regarded as multiple Bids:

- FPIs which utilise the multi-investment manager ("**MIM**") structure.
- Offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments.
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration.
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs.
- Government and Government related investors registered as Category I FPIs.
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to the aforesaid seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilise any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. A

VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking.

The holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in initial public offerings.

Further, the shareholding of VCFs, Category I AIFs or Category II AIFs and FVCIs in a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the VCF or AIF or FVCI. However, if such VCFs, Category I AIFs or Category II AIFs and FVCIs hold individually or with persons acting in concert, more than 20% of the pre-offer shareholding of such company, this exemption from lock-in requirements will not be applicable.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs. All such Bidders will be treated on the same basis with other categories for the purpose of allocation. Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Eligible Employees

The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000 (net of Employee Discount, if any). The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that the Bid does not exceed ₹500,000 (net of Employee Discount, if any).

However, Allotments to Eligible Employees in excess of ₹200,000 (net of Employee Discount, if any), shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount if any). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [•] colour form).

(b) The Bidder should be an Eligible Employee as defined herein. In case of joint bids, the first Bidder shall be an Eligible Employee.

(c) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.

(d) Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any, would be considered for Allotment under this category.

(e) Eligible Employees can apply at Cut-off Price.

(f) If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(g) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [•] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

Please note that any individuals who are directors, employees or promoters of (a) the Book Running Lead Managers, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such Book Running Lead Managers, Registrar to the Offer or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act, (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company, (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank, and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the

industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI, from time to time, including the IRDAI Investment Regulations for specific investment limits applicable to them.

Bids by NBFC-SI

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

In accordance with existing regulations issued by RBI, OCBs cannot participate in this Offer.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the Book Running Lead Managers, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the Book Running Lead Managers, may deem fit.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the Book Running Lead Managers or insurance companies promoted by entities which are associates of the Book Running Lead Managers, no Book Running Lead Manager or its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other, or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other, or (iii) there is a common director, excluding nominee director, among the Anchor Investors and the Book Running Lead Managers.

The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million. A Bid cannot be submitted for over 60% of the QIB Category. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100.00 million.

One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and will be completed on the same day.

Our Company, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100.00 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100.00 million but up to ₹2,500.00 million, subject to a minimum Allotment of ₹50.00 million per Anchor Investor; and
- in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked in for a period of 30 days from the date of Allotment.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Category will not be considered multiple Bids.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such acknowledgement slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier acknowledgement slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges, nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you (other than the Anchor Investors) have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, UPI Bidders using the UPI Mechanism must also mention their UPI ID and shall use only their own bank account which is linked to their UPI ID;

4. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. UPI Bidders Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on SEBI website. UPI bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on SEBI website is liable to be rejected;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialised form only;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, CRTAs or CDPs and should ensure that the Bid cum Application Form contains the stamp of such Designated Intermediary;

9. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

10. If the First Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except UPI Bidders Bidding using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. UPI Bidders Bidding using the UPI Mechanism should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;

11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

13. Ensure that you request for and receive a stamped acknowledgment in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;

14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

15. Submit revised Bids to the same Designated Intermediary, through whom the original Bid is placed and obtain a revised acknowledgment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

17. Ensure that the Demographic Details are updated, true and correct in all respects;

18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

22. Bidders (except UPI Bidders Bidding using the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

23. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

24. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and Retail Individual Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

25. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

26. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using their UPI PIN. Upon the authorisation of the mandate using their UPI PIN, the UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in their ASBA Account;

27. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

28. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in their account and subsequent debit of funds in case of allotment in a timely manner;

29. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Category for allocation in the Offer;

30. Ensure that Anchor Investors submit their Bid cum Application Forms only to the Book Running Lead Managers;

31. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date; and

32. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Don’ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by RIIs) and ₹500,000, net of Employee Discount, if any (for Bids by Eligible Employees);

3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

7. Anchor Investors should not Bid through the ASBA process;

8. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;

9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

10. Do not Bid at Cut-off Price (for Bids by QIBs, Eligible Employees Bidding under the Employee Reservation Portion (subject to the Bid Amount being above ₹200,000) and Non-Institutional Investors);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

12. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

17. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. RIIs and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

18. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

19. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the Depository);

22. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder and are using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

23. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

24. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);

25. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

26. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

27. Do not Bid for Equity Shares more than what is specified by respective Stock Exchange for each category;

28. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are UPI Bidder and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;

29. Do not Bid if you are an OCB; and

30. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" on page 70.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Book Running Lead Managers and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in the SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Net Offer may be made for the purpose of making Allotment in minimum Bid Lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as, determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Investor and Non-Institutional Investor shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in the Retail Individual Investor category and the Non-Institutional Category, respectively, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis.

Payment into Escrow Account for Anchor Investors

Our Company, in consultation with the Book Running Lead Managers in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Account should be drawn in favour of:

(i) In case of resident Anchor Investors: "[•]"

(ii) In case of non-resident Anchor Investors: "[•]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Pre-Offer advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [•] editions of [•] (a widely circulated English national daily newspaper) [•] editions of [•] (a widely circulated Hindi national daily newspaper) and [•] editions of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language in Maharashtra where the Registered and Corporate Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Post-Offer Advertisement

Our Company, the BRLMs and the Registrar to the Offer shall publish a post-Offer advertisement in terms of Regulation 51(1) of SEBI ICDR Regulations on or before the date of commencement of trading, disclosing the date of commencement of trading in all editions of [•], an English national daily newspaper, all editions of [•], a Hindi national daily newspaper, and [•] edition of [•], a Marathi daily newspaper (Marathi being the regional language of Maharashtra where our Registered and Corporate Office is located), each with wide circulation.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

(i) The complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) All steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within such timeline as may be prescribed by SEBI;

(iii) Adequate arrangements shall be made to collect all Bid cum Application Forms;

(iv) If the Allotment is not made within the prescribed time under applicable law, application monies will be refunded/unblocked in the ASBA Accounts within four days from the Bid/Offer Closing Date or such other time as may be specified by SEBI, failing which our Company shall pay interest prescribed under the Companies Act, 2013 and the SEBI ICDR Regulations for the delayed period;

(v) Funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(vi) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within four days from the Bid/Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vii) No further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

(viii) If our Company and the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements are published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(ix) If our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decides to proceed with the Offer;

(x) The Minimum Promoters' Contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees, in accordance with the applicable provisions of the SEBI ICDR Regulations;

(xi) The allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time; and

(xii) Our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"***Any person who:***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders undertakes in respect of itself and the Offered Shares the following:

(i) it is the legal and beneficial holder and has full title to its respective portion of the Offered Shares;

(ii) its respective portion of the Offered Shares shall be transferred pursuant to the Offer, free and clear of any encumbrances; and;

(iii) it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer; and

(iv) it shall not access or have recourse to the proceeds of the Offer until final approvals for listing and trading of the Equity Shares from the Stock Exchanges have been received.

The decisions with respect to the Price Band and revision of the Price Band, the minimum Bid Lot, Employee Discount (if any) and the Offer Price will be taken by our Company in consultation with the Book Running Lead Managers.

Only the statements and undertakings in relation to the Selling Shareholders and the Equity Shares offered in the Offer for Sale which are confirmed or undertaken by each of the Selling Shareholders, severally and not jointly, in this Draft Red Herring Prospectus, shall be deemed to be "statements and undertakings made or confirmed" by such Selling Shareholders. No other statement in this Draft Red Herring Prospectus will be deemed to be "made or confirmed" by the Selling Shareholders, even if such statement relates to the Selling Shareholders.

Utilisation of Offer Proceeds

The Board certifies that:

(i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries/departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy & Promotion), Government of India ("**DPIIT**") issued the Consolidated FDI Policy, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. As on date, under the Consolidated FDI Policy, up to 100% foreign investment under the automatic route is currently permitted for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and such transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

For further details, see "*Offer Procedure*" on page 328.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act or any other applicable law of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. Pursuant to the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

These Articles have been adopted by the Board of Directors pursuant to a resolution dated May 10, 2022 and approved by the Shareholders pursuant to a special resolution dated May 12, 2022. The Articles are divided into Parts A and B, which parts shall, unless the context otherwise requires, co-exist with each other until the listing and commencement of trading of the Equity Shares on a recognized stock exchange in India pursuant to an initial public offering of the Equity Shares. Except with respect to Article 6.4 in Part A, in case of inconsistency, contradiction, conflict or overlap between Part A and Part B prior to the date of listing and commencement of trading of the Equity Shares, the provisions of Part B shall, subject to applicable law, be applicable and prevail. However, Part B of the Articles shall automatically terminate and cease to have any force and effect from the date of listing and trading of Equity Shares on a recognized stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company and Part A shall continue to be in force and effect, without any further action by the Company or its Shareholders.

Part A

Authorised Share Capital

The authorized share capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association of the Company.

Subject to these Articles and provisions of Sections 42 and 62 of the Companies Act, 2013 (the "**Act**") and including any Applicable Law, the Company shall have the power to issue either equity or preference shares or both or warrants for the purpose of increasing its capital on private placement or preferential allotment basis or both to any person/ any selected group persons who are associated with the company/ directors of the Company subject to the approval of members by way of necessary resolution authorizing such issue in the prescribed manner, terms and conditions, as may be applicable. Further, subject to the provisions of the Act and rules notified on this behalf, the Board shall have power to issue or re-issue preference Shares of one or more classes which are liable to be redeemed or converted to Equity Shares, on such terms and in such manner as determined by the Board in accordance with the Act.

Alteration of Capital

The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution. Subject to the provisions of the Act, the Company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;

(b) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;

(c) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the memorandum;

(d) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Where shares are converted into stock;

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

(c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" shall include "stock" and "stock-holder" respectively.

The Company may, by a special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own Shares or other specified securities.

Share Certificates

Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within two months (or such other time as may be prescribed under Applicable Law) from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month (or such other time as may be prescribed under Applicable Law) of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its Shares as the case may be.

Every certificate of Shares shall be under the seal of the Company, if any, or shall be signed by two Directors and the company secretary of the Company, and shall specify the number and distinctive number of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board or any Committee thereof may prescribe and approve, provided that, in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to the first named joint holders shall be sufficient delivery to all such holders. Such share certificates shall also be issued in the event of consolidation or sub-division of Shares of the Company.

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 20 for each certificate) as the Directors shall prescribe.

Provided that no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules notified under the Act or the rules made under any other act or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

Lien

The Company shall have a first and paramount lien –

a) on every Share/debenture (not being a fully paid Share/debenture), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share/debenture; and

b) on all Shares (not being fully paid Shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company.

Further, no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of a transfer of Shares/ debentures shall operate as a waiver of the Company's lien if any on such Shares/ debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

The Company's lien, if any, on a Share/debenture shall extend to all dividends or interest, as applicable, payable and bonuses declared from time to time in respect of such Shares/debentures.

The fully paid-up Shares shall be free from all lien and in case of partly paid Shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares.

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency.

To give effect to such sale, the Board of Directors may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

The provisions of these Articles relating to lien shall apply mutatis mutandis to other securities of the Company.

Transfer of Shares

The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of members in respect thereof.

There shall be a common form of transfer in accordance with the Act and rules notified thereunder. The Shares/securities and/or interest of any member in the Company shall be freely transferable provided that any contract or arrangement between two or more persons in respect of transfer of shares/securities shall be enforceable as contract and subject to the provisions of the Act, these Articles and other Applicable Law.

The Directors may, by giving reasons, decline to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member in or to debentures of the Company and it shall

within a period of 30 (thirty) days from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferor and transferee or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.

The instrument of transfer of Shares shall be in writing, and the applicable provisions of the Act and other Applicable Law, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall be duly complied with in respect of the transfer and transmission of Shares and registration thereof.

The Company shall, in case of instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

The Board may, subject to the right of appeal conferred by section 58 of the Act and other Applicable Law, decline to register—

(a) the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or

(b) any transfer of Shares on which the Company has a lien.

The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under the Act;

(b) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of Shares.

On giving not less than seven days' previous notice in accordance with section 91 of the Act and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than 45 days in the aggregate in any year.

Transmission of shares

(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the Shares.

(ii) Nothing in clause (i) above shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons.

(iii) Any person becoming entitled to a Share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

    (a) to be registered himself as holder of the Share; or

    (b) to make such transfer of the Share as the deceased or insolvent member could have made.

    The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Share before his death or insolvency.

If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share. All the limitations, restrictions and provisions of this Article relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

(iv) A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.

Calls on Shares

The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares. A call may be revoked or postponed at the discretion of the Board. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

The Board— may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in a General Meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Forfeiture on Shares

If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued. The notice aforesaid shall—

a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

b. state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares.

The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share;

The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of. The transferee shall thereupon be registered as the holder of the Share, and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

The provisions of this Article as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified**.**

Capitalisation of Profits

The Company upon the recommendations of the Board, may resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of the profit and loss account or otherwise available for distribution and such sum be accordingly set free for distribution in the manner specified below amongst the members who would have been entitled thereto if distributed by way of dividend:

a) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision hereinafter appearing either in or towards paying up any amounts for the time being unpaid on any shares held by a member or

b) Paying up in full un-issued shares of the Company to be allotted and distributed and credited as fully paid up to and against the member;

c) Partly in the way specified in sub- article(a) and (b) above.

d) The share premium account and the capital redemption account may for the purposes of this Article be applied in paying up un-issued shares to be issued to the member of the Company as fully paid bonus shares.

General Meetings

All General Meetings other than annual general meeting shall be called extraordinary general meeting. The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in section 103 of the Act. The chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their members to be Chairperson of the meeting. If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. Subject to any rights or restrictions for the time being attached to any class or classes of Shares,

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his Share in the paid-up Equity Share capital of the Company.

A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Act and shall vote only once.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

No member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid.

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Board of Directors

Unless otherwise determined by the Company in a General Meeting, the number of Directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen). Subject to the provisions of Section 149 of the Act, the Company may from time to time by a special resolution increase or reduce the number of Directors within the limits fixed by these Articles, and may also determine in what rotation the increased or reduced number is to vacate the office.

A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar of Companies within thirty days of his appointment in such manner as prescribed in the relevant rules notified under the Act. The Directors shall appoint one women director as per the requirements of section 149 of the Act.

The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him/her. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a special resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors. Not less than two-thirds of the total number of Directors of the Company shall:

(a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and

(b) save as otherwise expressly provided in the said Act; be appointed by the Company in a General Meeting.

Explanation: - for the purposes of this Article "total number of Directors" shall not include Independent Directors appointed on the Board of the Company.

The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

A retiring Director shall be eligible for re- election. At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:

(a) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;

(c) he is not qualified or is disqualified for appointment;

(d) a resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the said Act; or the Whole-time Directors shall not be liable to retire by rotation.

The Board shall at all times be constituted in compliance with the Applicable Law including the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to receipt of approval of the Shareholders, by way of a special resolution, at the first Shareholders' meeting held by the Company post listing of its Equity Shares pursuant to an initial public offering, each of (i) Mr. Ajay Adiseshan, and (ii) Lightbox Ventures I, shall have the right to nominate and recommend Directors to the Board in the following manner:

(a) For so long as Mr. Ajay Adiseshan (along with his relatives and/ or Affiliates) holds at least 10% (ten percent) of the Share capital on a fully diluted basis, Mr. Ajay Adiseshan shall have the right to nominate 2 (two) Directors; and

(b) For so long as Lightbox Ventures I (or its Affiliates) holds at least 10% (ten percent) of the Share capital on a fully diluted basis, Lightbox Ventures I shall have the right to nominate 1 (one) Director.

If at any time Applicable Law requires an increase or decrease in the number of Directors, or the number of Independent Directors, the increase or decrease will be effected in a manner that permits, so far as possible under Applicable Law, the rights available to Mr. Ajay Adiseshan and Lightbox Ventures I to continue mutatis mutandis.

Proceedings of the Board

The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. A Director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors

or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a General Meeting of the company, but for no other purpose.

The Board may elect a Chairperson of its meetings and determine the period for which he/she is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

A committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Borrowing Powers

The Board is restricted from borrowing money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up Share Capital and free-reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

Unpaid or Unclaimed Dividends

If the Company has declared a dividend but which has not been paid or claimed or the dividend warrant in respect thereof has not been posted or sent within 30 days from the date of declaration of the dividend, the Company shall, transfer the total amount of dividend, which remained unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called the "Unpaid Dividend Account of PayMate India Limited" as per the applicable provisions of the Act.

Any money so transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund known as "Investors Education and Protection Fund" or such other fund as may be required under the Act. No unpaid or unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law.

Indemnity and Insurance

The Board of the Company has the powers to take insurance of any or all properties of the Company and any or all the employees and their dependants against any or all risks and to take insurance on behalf of its managing Director, whole-time Director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary or any officer or employee of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

Part B

Part B of the Articles of Association of the Company provides for, among other things, the rights and obligations of certain Shareholders pursuant to the PayMate SHA as amended by the amendment and termination agreement dated May 27, 2022 to the PayMate SHA. For further details on the PayMate SHA, see "*History and Certain Corporate Matters – Shareholders' agreements and other agreements*" beginning on page 189.

If the Equity Shares do not get listed and commence trading on the Stock Exchanges, the Company shall take all steps to amend the Articles of Association to reflect the terms of the PayMate SHA.

SECTION IX - CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a discussion of certain U.S. federal income tax consequences to U.S. Holders (defined below) of acquiring, owning and disposing of Equity Shares, but it does not purport to be a comprehensive discussion of all tax considerations that may be relevant to a particular person's decision to acquire Equity Shares. This discussion applies only to a U.S. Holder that acquires Equity Shares in the Offer and that owns Equity Shares as capital assets for U.S. federal income tax purposes. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury regulations promulgated thereunder, and administrative rulings and judicial interpretations thereof, in each case as in effect of the date of this Draft Red Herring Prospectus. Except as expressly described herein, this discussion does not address the U.S. federal income tax consequences that may apply to U.S. Holders under the Convention Between the government of the United States of America and the government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "**Treaty**"). All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below. No ruling will be sought from the U.S. Internal Revenue Service (the "**IRS**") with respect to any statement or conclusion in this discussion, and there can be no assurance that the IRS will not challenge such statement or conclusion in the following discussion or, if challenged, that a court will uphold such statement or conclusion.

In addition, this discussion does not describe all of the tax consequences that may be relevant in light of a U.S. Holder's particular circumstances, including any U.S. state, local or non-U.S. tax law, the Medicare tax on net investment income, and any estate or gift tax laws, and it does not describe differing tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain banks, financial institutions or financial services entities;
- regulated investment companies and real estate investment trusts;
- dealers or traders in securities that use a mark-to-market method of tax accounting;
- insurance companies;
- persons holding Equity Shares as part of a hedge, straddle, conversion, constructive sale, integrated transaction or similar transaction;
- governments or agencies or instrumentalities thereof;
- persons liable for the alternative minimum tax;
- persons required for U.S. federal income tax purposes to accelerate the recognition of any item of gross income with respect to our Equity Shares as a result of such income being recognized on an applicable financial statement;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities or arrangements classified as partnerships or pass-through entities for U.S. federal income tax purposes or holders of equity interests therein;
- tax-exempt entities, "individual retirement accounts" or "Roth IRAs";
- certain U.S. expatriates or former long-term residents of the United States;
- persons that acquired Equity Shares pursuant to an exercise of employee share options, in connection with employee share incentive plans or otherwise as compensation;
- persons that own, directly, indirectly or constructively, ten percent (10%) or more of the total voting power or value of all of our outstanding stock; or
- persons owning Equity Shares in connection with a trade or business conducted outside the United States.

U.S. Holders should consult their tax advisors concerning the U.S. federal, state, local and non-U.S. tax consequences of acquiring, owning and disposing of Equity Shares in their particular circumstances.

For purposes of this discussion, a "U.S. Holder" is a person that, for U.S. federal income tax purposes, is a beneficial owner of Equity Shares and is:

- an individual citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all substantial decisions of the trust or otherwise if the trust has a valid election in effect under current Treasury regulations to be treated as a United States person.

If a partnership (or other entity or arrangement that is classified as a partnership or other pass-through entity for U.S. federal income tax purposes) is the beneficial owner of Equity Shares, the U.S. federal income tax treatment of a partner, member or other beneficial owner in such partnership or other pass-through entity generally will depend on the status of the partner, member or other beneficial owner and the status and activities of the partnership or other pass-through entity holding Equity Shares. Partnerships or other pass-through entities owning Equity Shares and partners, members or other beneficial owners in such partnerships or other pass-through entities should consult their tax advisors as to the particular U.S. federal income tax consequences of acquiring, owning and disposing of the Equity Shares.

THE DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP, OR DISPOSITION OF EQUITY SHARES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, INCLUDING THE APPLICABILITY AND EFFECT OF OTHER FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS, INCLUDING THE TREATY, AND POSSIBLE CHANGES IN TAX LAW.

Taxation of Distributions

Subject to the discussion below under "—Passive Foreign Investment Company Rules," the gross amount of any distribution of cash or property paid with respect to our Equity Shares (including any amounts withheld in respect of Indian taxes), will generally be included in a U.S. Holder's gross income as dividend income on the date actually or constructively received to the extent such distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Distributions in excess of our current and accumulated earnings and profits will be treated first as a non-taxable return of capital, thereby reducing the U.S. Holder's adjusted tax basis in our Equity Shares (but not below zero), and thereafter as either long-term or short-term capital gain depending upon whether the U.S. Holder held our Equity Shares for more than one year as of the time such distribution is actually or constructively received. Because we do not prepare calculations of our earnings and profits using U.S. federal income tax principles, it is expected that distributions generally will be taxable to U.S. Holders as dividends, and taxable at ordinary income tax rates.

Dividends on our Equity Shares generally will not be eligible for the dividends-received deduction generally available to U.S. corporations with respect to dividends received from other U.S. corporations. With respect to certain non-corporate U.S. Holders, including individual U.S. Holders, dividends will be taxed at the lower capital gains rate applicable to "qualified dividend income," provided that (i) the Company is eligible for the benefits of the Treaty, (ii) the Company is not a PFIC (as discussed below under "—Passive Foreign Investment Company Rules") for its taxable year in which the dividend is paid and the preceding taxable year, and (iii) certain holding period and other requirements are met. The amount of any dividend paid in Rupees will be the U.S. dollar value of the Rupees calculated by reference to the spot rate of exchange in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars on such date. U.S. Holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss.

A U.S. Holder generally will be entitled, subject to certain limitations, to a credit against its U.S. federal income tax liability, or to a deduction, if elected, in computing its U.S. federal taxable income, for non-refundable Indian

income taxes withheld from dividends at a rate not exceeding the rate provided in the Treaty (if applicable). For purposes of the foreign tax credit limitation, dividends paid by the Company generally will constitute foreign source income in the "passive category income" basket. The rules relating to the foreign tax credit or deduction, if elected, are complex and U.S. Holders should consult their tax advisors concerning their availability in their particular circumstances.

Sale or Other Taxable Disposition of Equity Shares

Subject to the discussion below under "—Passive Foreign Investment Company Rules," a U.S. Holder generally will recognize gain or loss for U.S. federal income tax purpose on the sale, exchange or other taxable disposition of our Equity Shares in an amount equal to the difference between the amount realized on the disposition and the U.S. Holder's adjusted tax basis in the Equity Shares disposed of, in each case as determined in U.S. dollars. Such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period for the Equity Shares exceeds one year. Long-term capital gains of certain non-corporate U.S. Holders (including individuals) are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A U.S. Holder's initial tax basis in our Equity Shares will be the U.S. dollar value of the Rupee denominated purchase price determined on the date of purchase, and the amount realized on a sale, exchange or other taxable disposition of our Equity Shares will be the U.S. dollar value of the payment received determined on the date of disposition. If our Equity Shares are treated as traded on an "established securities market," a cash method U.S. Holder or, if it elects, an accrual method U.S. Holder, will determine the U.S. dollar value of (i) the cost of such Equity Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase, and (ii) the amount realized by translating the amount received at the spot rate of exchange on the settlement date of the sale, exchange or other taxable disposition. Such an election by an accrual method U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS. Accrual-method U.S. Holders that do not elect to be treated as cash-method taxpayers for this purpose may have a foreign currency gain or loss for U.S. federal income tax purposes, which in general will be treated as U.S.-source ordinary income or loss. U.S. Holders should consult their advisors as to the U.S. federal income tax consequences of the receipt of Rupees.

If any Indian tax is imposed on the sale or other disposition of our Equity Shares, a U.S. Holder's amount realized will include the gross amount of the proceeds of the sale or other disposition before deduction of the Indian tax. U.S. Holders should consult their own tax advisors concerning the creditability or deductibility of any Indian income tax imposed on the disposition of Equity Shares in their particular circumstances.

Passive Foreign Investment Company Rules

In general, a corporation organized outside the United States will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes in any taxable year in which (a) 75% or more of its gross income is passive income (the "**income test**") or (b) 50% or more of its assets either produce passive income or are held for the production of passive income in a taxable year (ordinarily determined based on fair market value and averaged quarterly over the year) (the "**asset test**"). For this purpose, "gross income" generally includes all sales revenues less the cost of goods sold, plus income from investments and from incidental or outside operations or sources, and "passive income" generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. For purposes of the PFIC income test and asset test described above, if the Company owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, the Company will be treated as if it (a) held a proportionate share of the assets of such other corporation and (b) received directly a proportionate share of the income of such other corporation.

Based on the nature of our business and the composition of our income and assets, the value of our assets, our intended use of the proceeds from the Offer, and the expected price of our Equity Shares, we may have been a PFIC for the March 31, 2022 Tax Year. Based on the nature of our business, the composition of our income and assets, the value of our assets, our intended use of the proceeds from the Offer, and the expected price of our Equity Shares, we do not believe that we will be a PFIC for our current taxable year that includes this offering or in the foreseeable future. However, because a determination of whether a company is a PFIC must be made annually after the end of each taxable year and the Company's PFIC status for each taxable year will depend on facts, including the composition of Company's income and assets and the value of Company's assets (which may be determined in part by reference to the market value of the Equity Shares) at such time, there can be no assurance that the Company will not be a PFIC for the current or any future taxable year. If the Company is a PFIC for any taxable year during which a U.S. Holder holds Equity Shares and any of the Company's non-U.S. subsidiaries is

also a PFIC, such U.S. Holder will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules. U.S. Holders are urged to consult their tax advisors about the application of the PFIC rules to any of the Company's subsidiaries.

Generally, if the Company is a PFIC for any taxable year during which a U.S. Holder holds Equity Shares, the U.S. Holder may be subject to adverse tax consequences. Generally, gain recognized by a U.S. Holder upon a disposition (including, under certain circumstances, a pledge) of Equity Shares by the U.S. Holder would be allocated ratably over the U.S. Holder's holding period for such Equity Shares. The amounts allocated to the taxable year of disposition and to years before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the tax attributable to the allocated amount. Further, to the extent that any distribution received by a U.S. Holder on the Equity Shares exceeds 125% of the average of the annual distributions on such Equity Shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above. Certain elections may be available that would result in alternative treatments of the Equity Shares if the Company was a PFIC.

In certain circumstances, a U.S. Holder may elect to treat a PFIC as a "qualified electing fund" under Section 1295 of the Code. However, this alternative will not be available because the Company does not intend to provide the information necessary to permit a U.S. Holder to make this election.

If the Company is considered a PFIC for any taxable year and if the Equity Shares are "regularly traded" on a "qualified exchange," a U.S. Holder could make a mark-to-market election with respect to the Equity Shares (but not with respect to any Lower-tier PFICs, if any). We intend to list Equity Shares on BSE Limited and National Stock Exchange of India Limited, which must meet certain trading, listing, financial disclosure and other requirements to be treated as a qualified exchange for these purposes, and no assurance can be given that the Equity Shares will be "regularly traded" for purposes of the mark-to-market election, which requires that more than a de minimis quantity of the ordinary shares, are traded on a qualified exchange on at least 15 days during each calendar quarter.

If a U.S. Holder makes an effective mark-to-market election, for each taxable year that the Company is a PFIC, such U.S. Holder will include as ordinary income the excess of the fair market value of its Equity Shares at the end of the year over its adjusted tax basis in the Equity Shares. A U.S. Holder will be entitled to deduct as an ordinary loss in each such year the excess of its adjusted tax basis in the Equity Shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder's adjusted tax basis in the Equity Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. In addition, upon the sale or other disposition of Equity Shares in a year that the Company is a PFIC, any gain will be treated as ordinary income and any loss will be treated as ordinary loss, but only to the extent of the net amount of previously included income as a result of the mark-to-market election.

If a U.S. Holder makes a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the Equity Shares are no longer regularly traded on a qualified exchange or other market, or the IRS consents to the revocation of the election.

If the Company is a PFIC and a U.S. Holder makes a mark-to-market election in respect of the Company and the Company ceases to be classified as a PFIC, the U.S. Holder will not be required to take into account the mark-to-market gain or loss described above during any period that the Company is not classified as a PFIC.

However, because a mark-to-market election cannot be made for any lower-tier PFICs that the Company may own (as discussed above), a U.S. Holder will generally continue to be subject to the special tax rules discussed above with respect its indirect interest in any such lower-tier PFIC. As a result, it is possible that any mark-to-market election with respect to the Equity Shares will be of limited benefit. U.S. Holders are urged to consult their tax advisors about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

If the Company was a PFIC for any year during which a U.S. Holder owned Equity Shares, the Company would generally continue to be treated as a PFIC with respect to such U.S. Holder for all succeeding years during which such U.S. Holder held the Equity Shares, even if the Company ceased to meet the threshold requirements for PFIC status.

If a U.S. Holder owns our Equity Shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 annually with respect to the Company, generally with the U.S. Holder's U.S. federal income tax return for that year unless specified exceptions apply.

U.S. Holders should consult their tax advisors regarding our PFIC status for any taxable year and the potential application of the PFIC rules.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds from a sale, exchange or other taxable disposition (including redemption) of our Equity Shares that are made within the United States, by a U.S. payor or through certain U.S.-related financial intermediaries to a U.S. Holder generally are subject to information reporting, unless the U.S. Holder is a corporation or other exempt recipient. In addition, such payments may be subject to backup withholding, unless (1) the U.S. Holder is a corporation or other exempt recipient or (2) the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding in the manner required.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will generally be allowed as a credit against the U.S. Holder's U.S. federal income tax liability or may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Foreign Financial Asset Reporting

Certain U.S. Holders who are individuals or certain specified entities that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 (and in some circumstances, a higher threshold) may be required to report information relating to the Equity Shares by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets (which requires U.S. Holders to report "foreign financial assets," which generally include financial accounts held at a non-U.S. financial institution, interests in non-U.S. entities, as well as stock and other securities issued by a non-U.S. person), to their tax return for each year in which they hold our Equity Shares, subject to certain exceptions (including an exception for our Equity Shares held in accounts maintained by U.S. financial institutions). U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to their acquisition, ownership, and disposition of the Equity Shares.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following documents and contracts which are, or may be deemed material, have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus to be filed with the RoC, and also the documents for inspection referred to hereunder (i) may be inspected at the Registered and Corporate Office, from 10.00 a.m. to 5.00 p.m. on Working Days; and (ii) will also be available for inspection on the website of our Company at https://paymate.in/investorRelations.html, from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Material contracts to the Offer

1. Offer Agreement dated May 28, 2022 entered into among our Company, the Selling Shareholders and the Book Running Lead Managers.

2. Registrar Agreement dated May 27, 2022 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Monitoring Agency Agreement dated [•] entered into between our Company and the Monitoring Agency.

4. Cash Escrow and Sponsor Bank Agreement dated [•] entered into among our Company, the Selling Shareholders, the Book Running Lead Managers, the Syndicate Members, the Banker(s) to the Offer, and the Registrar to the Offer.

5. Share Escrow Agreement dated [•] entered into among our Company, the Selling Shareholders, and the Share Escrow Agent.

6. Syndicate Agreement dated [•] entered into among our Company, the Selling Shareholders, the Book Running Lead Managers and Syndicate Members.

7. Underwriting Agreement dated [•] entered into among our Company, the Selling Shareholders, the Book Running Lead Managers and Syndicate Members.

Material documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended until the date of this Draft Red Herring Prospectus.

2. Certificate of incorporation dated May 12, 2006 issued by Registrar of Companies, Tamil Nadu at Chennai.

3. Certificate of registration of Company Law Board order for change of state of our registered office dated June 29, 2010 issued by the RoC.

4. Fresh certificate of incorporation dated March 7, 2022 issued by the RoC, consequent to the change of our name from 'PayMate India Private Limited' to 'PayMate India Limited', pursuant to conversion of our Company into a public limited company.

5. Copies of the annual reports of the Company as of and for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019.

6. Resolution dated March 23, 2022 passed by the Board authorising the Offer and other related matters.

7. Resolution dated March 25, 2022 passed by the Shareholders authorising the Fresh Issue and other related matters.

8. Consent letters and resolutions passed by the respective boards of directors/ authorizations, as applicable, of the Selling Shareholders for participation in the Offer for Sale, as detailed in "*The Offer*" on page 64.

9. Resolution dated May 27, 2022 passed by the Board, approving this Draft Red Herring Prospectus.

10. Resolution dated May 28, 2022 passed by the IPO Committee, approving this Draft Red Herring Prospectus.

11. Resolutions, each dated August 23, 2021, passed by the Board, approving the compensation payable to each of our Chairman and Managing Director and our Whole-time Director and Chief Financial Officer.

12. Report titled "*Opportunities in B2B Payments in India*" dated May 16, 2022, issued by RedSeer, which has been commissioned exclusively for the purposes of the Offer for an agreed fee.

13. Consent letter dated May 20, 2022 issued by RedSeer with respect to the report titled "*Opportunities in B2B Payments in India*" dated May 16, 2022.

14. The examination report dated May 25, 2022 of the Statutory Auditors on the Restated Financial Statements.

15. The report dated May 27, 2022 of the Statutory Auditors, on the statement of possible special tax benefits.

16. Consent from the Statutory Auditors, MSKA & Associates, to include their name as the current statutory auditors of our Company and be named as an "expert" in their capacity as an auditor and in respect of (i) the examination report dated May 25, 2022 on the Restated Financial Statements, and (ii) the report dated May 27, 2022 on the statement of possible special tax benefits, included in this Draft Red Herring Prospectus.

17. Consent from RVKS and Associates, independent chartered accountants to include their name in this Draft Red Herring Prospectus and be named as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer.

18. Consents of the Book Running Lead Managers, the Registrar to the Offer, the legal counsel to the Company, Promoter Selling Shareholders and Other Selling Shareholders as to Indian law, legal counsel to the respective Investor Selling Shareholders as to Indian law, legal counsel to the Book Running Lead Managers as to Indian law, the legal counsel to the Book Running Lead Managers as to international law, the Directors and the Company Secretary and Compliance Officer to act in their respective capacities.

19. 2020 Scheme.

20. PayMate SHA.

21. UAE MOA.

22. Subsidiary SHA.

23. BCCL SWSA.

24. BCCL Advertisement Agreement.

25. Tripartite agreement dated November 3, 2021, among our Company, NSDL and the Registrar to the Offer.

26. Tripartite agreement dated November 24, 2021, among our Company, CDSL and the Registrar to the Offer.

27. Due diligence certificate to SEBI from the Book Running Lead Managers dated May 28, 2022.

28. In-principle listing approvals dated [•] and [•] from BSE and NSE, respectively.

29. Final observations letter bearing number [•] dated [•] issued by SEBI.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA and the SEBI Act, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY

_____

Ajay Adiseshan

Chairman and Managing Director

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA and the SEBI Act, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY

_____

Vishvanathan Subramanian

Whole-time Director and Chief Financial Officer

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA and the SEBI Act, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY

_____

Sandeep Murthy

Nominee Director

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA and the SEBI Act, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY

_____

Kevin Christopher Phalen

Independent Director

Place: U.S.A

Date: May 28, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA and the SEBI Act, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY

_____

Monica Niranjan Doshi

Independent Director

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA and the SEBI Act, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY

_____

Ashim Kumar Banerjee

Independent Director

Place: Boulder, Colarado, U.S.A

Date: May 28, 2022

DECLARATION

Lightbox Ventures I, hereby confirms that all statements and undertakings specifically made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and its portion of the Offered Shares, are true and correct. Lightbox Ventures I assumes no responsibility for any other statements, disclosure or undertakings including, any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF LIGHTBOX VENTURES I

_____

Name: Jihane Muhamodsaroar

Designation: Director

Place: Mauritius

Date: May 28, 2022

DECLARATION

Mayfield FVCI, Ltd., hereby confirms that all statements and undertakings specifically made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and its portion of the Offered Shares, are true and correct. Mayfield FVCI, Ltd. assumes no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF MAYFIELD FVCI, LTD.

_____

Name: Zayd Soopun

Designation: Director

Place: Mauritius

Date: May 28, 2022

DECLARATION

RSP India Fund. LLC, hereby confirms that all statements and undertakings specifically made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and its portion of the Offered Shares, are true and correct. RSP India Fund. LLC assumes no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF RSP INDIA FUND. LLC

_____

Name: Hiroaki Ogata

Designation: Person performing the duties of Recruit Co. Ltd. (As representative member of RSP India Fund. LLC)

Place: Tokyo, Japan

Date: May 28, 2022

DECLARATION

IPO Wealth Holdings Pty Ltd (in liquidation), acting through its liquidators, Hamish Alan MacKinnon and Nicholas Giasoumi of Dye & Co. Pty Ltd, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and its portion of the Offered Shares, are true and correct. IPO Wealth Holdings Pty Ltd (in liquidation), acting through its liquidators, Hamish Alan MacKinnon and Nicholas Giasoumi of Dye & Co. Pty Ltd, assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF IPO WEALTH HOLDINGS PTY LTD (IN LIQUIDATION) AND ACTING THROUGH ITS LIQUIDATORS, HAMISH ALAN MACKINNON AND NICHOLAS GIASOUMI OF DYE & CO. PTY LTD

_____

Name: Nicholas Giasoumi

Designation: Liquidator

Place: Victoria, Australia

Date: May 28, 2022

DECLARATION

I hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as a Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY

_____

Ajay Adiseshan

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as a Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY

_____

Vishvanathan Subramanian

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as a Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY

_____

G. Adhiseshann

Place: Chennai

Date: May 28, 2022

DECLARATION

Uma Vishvanathan acting through the undersigned, hereby confirms that all statements and undertakings specifically made or confirmed by her in this Draft Red Herring Prospectus in relation to herself as a Selling Shareholder and her portion of the Offered Shares, are true and correct. She assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED ON BEHALF OF UMA VISHVANATHAN BY VISHVANATHAN SUBRAMANIAN AS THE POWER OF ATTORNEY HOLDER FOR SUCH SELLING SHAREHOLDER

_____

Vishvanathan Subramanian

Place: Mumbai

Date: May 28, 2022

DECLARATION

Dhruv Pratap Singh and Anand Rajaraman acting through the undersigned, hereby confirm that all statements and undertakings specifically made or confirmed by them in this Draft Red Herring Prospectus in relation to themselves as Selling Shareholders and their respective portion of the Offered Shares, are true and correct. Each of such Selling Shareholders assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED ON BEHALF OF DHRUV PRATAP SINGH AND ANAND RAJARAMAN BY AJAY ADISESHAN AS THE POWER OF ATTORNEY HOLDER FOR SUCH SELLING SHAREHOLDERS

_____

Ajay Adiseshan

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as a Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY

_____

Probir Kumar Roy

Place: Mumbai

Date: May 28, 2022

DECLARATION

I hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as a Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY

_____

Alexander Kuruvilla

Place: Mumbai

Date: May 28, 2022