

Independent Auditor's Report

To
the Members of
NPCI Bharat BillPay Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **NPCI Bharat BillPay Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit & Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow for the year ended on that date, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profit including other comprehensive income, changes in equity and its Cash Flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors are responsible for the other information and notes to accounts. The other information comprises of all information included in the Annual report

but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), statement of changes in equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub- Section (11) of section 143 of the Act, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit & Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the director is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**' to this report;
 - g) In our opinion, Managerial Remuneration has been paid to Key Management Personnel and Sitting Fees to Directors for the year ended 31st March 2022.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company did not have any pending litigations and claims;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. view of there being no amounts required to be transferred to the Investor Education and Protection Fund for the year under audit, the reporting under this clause is not applicable.
 - e. (i) Whether the management has represented that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) Whether the management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - f. Whether the dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013. However, The Company has not declared or paid dividend during the year under audit.
- 3. As per the requirements of section 143 (5), in our opinion and to the best of our information and according to the explanations given to us, books of accounts and other records produced before us for verification and on the basis of management representation; the said accounts, read together with the Company’s Accounting policies and the Notes thereto are given below:

Based on the verification of records of the Company and based on information and explanations given to us, we give below a report on the directions/additional directions issued by the Comptroller and Auditor General of India in terms of section 143(5) of the Act.

S r . No.	General Directions issued by the Comptroller and Auditor General of India	Comments
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has system in place to process all the accounting transactions through IT systems (Tally ERP 9). The GST Returns have been filed using a GST software tools and details related to GST are maintained within that software. Also, the clearing and settlement for the business is done in application developed for Bharat Bill Payment System (BBPS) for booking daily party wise revenue, the entity being licensed under the Payment and Settlement Systems Act, 2007 for the said function of BBPS.
2.	Whether there are any restructuring of an existing loan or cases of waiver / write off debts/loans/interest etc. made by lender to the Company due to the Company’s inability to repay the loan? if yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government Company, then its direction is also applicable for statutory auditor of lender Company)	Not Applicable The Company has not availed any loan or the Company is not dealing with lending/borrowing any loan.

S r . No.	General Directions issued by the Comptroller and Auditor General of India	Comments
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central government/state government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation	Not Applicable There are no case of funds received / receivable for the specific schemes from Central/State agencies.

Additional directions issued by C&AG as applicable to NPCI Bharat BillPay Limited for the year 2021-22

S r . No.	Additional Directions	Comments
1.	NBFC dealing with digital payment products and services Whether the security controls for digital payment products and services are in compliance with the directions of RBI for Digital Payment Security Controls dated 18th February 2021?	Company carried out a detailed review of RBI Master Directions on Digital Payment Security Controls and thereafter appointed (by NPCI) Cert-IN empaneled Third-Party auditor (RSM) and initiated a compliance check against requirements of RBI Master Direction on Digital Payment Security Controls. All business applications (including NBBL's applications under BBPS) were included in the scope of the assessment. The audit was concluded in Oct 2021 and no open issues were reported. Since business applications managed by NBBL was covered under initial scope of audit, No separate assessment for NBBL was conducted.

For **K P C M & Co.**
Chartered Accountants
FRN 117390W

Chimpu Lapsiwala

Partner
M. No. 137998

Date: 20/05/2022
Place: Mumbai
UDIN: 22137998AJKJHP2553

Annexure A

to Independent Auditors' Report

(Referred to in Paragraph 1 Under 'Report on Other Legal and Regulatory Requirements' section of our report of even date')

- 1) In respect of Fixed Assets:
 - a) the Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) the fixed assets have been physically verified by the management at all its offices in phased manner at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of assets. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification. No fixed asset has been disposed of during the year and therefore does not affect the going concern assumption.
 - c) As the Company has no immovable properties during the year under audit, this clause is not applicable.
- 2) The Company's business does not involve inventories and accordingly, the requirements under clause 3(ii) of the order are not applicable to Company and hence not commented upon.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security were not applicable during the period under review.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provision of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with the regards to the deposits accepted from public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, goods and service tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.
 - (b) According to the information and explanation given to us, there are no dues of income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) According to the information and explanation given to us, the Company has recorded all transactions incurred during the year under audit. The Company has no unrecorded income to disclose in the books of accounts.
- 9) In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x) of the Order are not applicable to the Company and hence not commented upon.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion and according to the information and explanation given to us, the provisions of Section 177 and Section 188 of the Companies Act, 2013 were not applicable to the Company during the period under review. However, Managerial Remuneration has been paid to Key Management Personnel and Sitting Fees to Directors.
- 14) In our opinion and according to the information and explanation given to us, the Company has the Audit System equivalent to the size and nature of its business. The Reports provided by the Internal Auditors for Audit Period were duly considered while conducting statutory audit.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- 17) In our opinion and according to the information and explanation given to us, the Company has not incurred any cash losses during the current financial year. However, the Company has incurred cash loss of ₹ 26.00 lakhs during the immediately preceding financial year.
- 18) In our opinion and according to the information and explanation given to us, the Company has taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- 19) Based upon the audit procedures performed and the information and explanations given by the management, no material uncertainty exists as on the date of the audit report. The Company is capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 20) In our opinion and according to the information and explanation given to us, the Company has satisfied the third criteria of the applicability of CSR i.e. net profit of 5 crores in this financial year 2021-22 hence, this clause is applicable from next financial year i.e. FY 2022-23. The Management of the Company will make CSR expenditure during the financial year 2022-23 to comply with the provisions of Section 135 and other applicable rules of the Companies Act, 2013.
- 21) In our opinion and according to the information and explanation given to us, the Company is a subsidiary of National Payment Corporation of India (The Holding Company) and the Company has no subsidiaries during the financial year, hence this clause is not applicable to the Company.

For **K P C M & Co.**
Chartered Accountants
FRN 117390W

Chimpu Lapsiwala
Partner
M. No. 137998

Date: 20/05/2022
Place: Mumbai
UDIN: 22137998AJKJHP2553

Annexure B

to Independent Auditors' Report

(Referred to in Paragraph 2 (f) Under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

1. We have audited the internal financial controls with reference to Ind AS Financial Statements of **NPCI Bharat BillPay Limited** ("the Company") as of 31st March 2022 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to the Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the Ind AS Financial Statements.

Meaning of Internal Financial Controls With reference to Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Ind AS Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial

controls with reference to Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at 31st March 2022, based on the internal control with reference to Ind AS Financial Statements criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For **K P C M & Co.**
Chartered Accountants
FRN 117390W

Chimpu Lapsiwala
Partner
M. No. 137998

Date: 20/05/2022
Place: Mumbai
UDIN: 22137998AJKJHP2553

Balance Sheet

as at 31st March, 2022

(Amount ₹ in Lakh)

S. No	Particulars	Sch.	As at 31-Mar-2022 Audited	As at 31-Mar-2021 Audited
ASSETS				
1	Non-current assets			
a.	Property, plant & equipment and intangible asset			
i.	Property, plant & equipment	2.1	116.99	-
ii.	Intangible assets	2.2	2,952.82	-
b.	Deferred tax assets (net)	2.3	-	6.76
c.	Other non-current assets	2.4	-	77.55
	Total non-current assets		3,069.81	84.31
2	Current assets			
a.	Financial assets			
i.	Trade receivables	2.5	68.71	-
ii.	Cash & cash equivalents	2.6	598.46	8,499.94
iii.	Bank balances other than (ii) above	2.7	7,766.00	-
iv.	Other financial assets	2.8	3,695.60	0.32
b.	Other current assets	2.9	177.31	1.20
	Total current assets		12,306.08	8,501.46
	TOTAL ASSETS		15,375.89	8,585.77
EQUITY AND LIABILITIES				
3	Equity			
a.	Equity share capital	2.10	10,000.00	8,500.00
b.	Other equity	2.11	385.56	(19.24)
	Total equity		10,385.56	8,480.76
4	Non-current liabilities			
a.	Financial liabilities			
i.	Others financial liabilities	2.12	3,716.78	-
b.	Long term provisions	2.13	85.04	-
c.	Deferred tax liabilities (net)	2.14	12.71	-
	Total non-current liabilities		3,814.53	-
5	Current liabilities			
a.	Financial liabilities			
i.	Trade payables due to:			
-	Micro and small enterprises	2.15	0.81	1.18
-	Other than micro and small enterprises		754.99	101.77
ii.	Other financial liabilities	2.16	65.93	1.37
b.	Provisions	2.17	312.72	0.69
c.	Current tax liabilities (net)	2.18	41.35	-
	Total current liabilities		1,175.80	105.01
	TOTAL EQUITY AND LIABILITIES		15,375.89	8,585.77
	Significant accounting policies & notes to accounts	1 & 2		-

As per our report attached

 For **KPCM & Co.**

Chartered Accountants

Registration No.: 117390W

CA Chimpu Lapsiwala

Partner

Membership No: 137998

Place : Mumbai

 Date : 20th May, 2022

For and on behalf of Board of Directors

Biswamohan Mahapatra

Chairman

DIN: 06990345

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Dilip Asbe

Director

DIN: 02990724

Ashish Pai

Chief Financial Officer

Statement of Profit and Loss

for the year ended 31st March, 2022

(Amount ₹ in Lakh)

S. No	Particulars	Sch.	April 1, 2021 to March 31, 2022 Audited	December 10, 2020 to March 31, 2021 Audited
6	Income			
	Revenue from operations	2.19	3,521.66	-
	Other income	2.20	346.57	0.32
	Total income		3,868.23	0.32
7	Expenses			
	Operating expenses	2.21	215.74	-
	Employee benefits expenses	2.22	1,378.26	-
	Depreciation and amortisation expenses	2.23	879.13	-
	Administrative and establishment expenses	2.24	179.27	23.72
	Other expenses	2.25	561.93	2.60
	Total expense		3,214.33	26.32
8	Profit / (Loss) before tax		653.90	(26.00)
9	Tax expense			
	Current tax		(225.00)	-
	Deferred tax		(14.14)	(6.76)
	Total tax expense		(239.14)	(6.76)
	Profit/ (loss) for the year from continuing operations		414.76	(19.24)
10	Profit for the year		414.76	(19.24)
11	Other comprehensive income			
	(i) Items that will not be reclassified to Profit and Loss		19.15	-
	(ii) Income Tax relating to items that will not be reclassified to Profit and Loss		(5.33)	-
	Total		13.82	-
	Total comprehensive income for the year		428.58	(19.24)
12	Earnings per equity share (for continuing operations)			
	1. Basic earnings per share (₹)	2.27	5.00	(0.23)
	2. Diluted earnings per share (₹)		5.00	(0.23)

As per our report attached

For **KPCM & Co.**
Chartered Accountants
Registration No.: 117390W

CA Chimpu Lapsiwala
Partner
Membership No: 137998

Place : Mumbai
Date : 20th May, 2022

For and on behalf of Board of Directors

Biswamohan Mahapatra
Chairman
DIN: 06990345

Noopur Chaturvedi
Chief Executive Officer

Supreetha Shetty
Company Secretary

Dilip Asbe
Director
DIN: 02990724

Ashish Pai
Chief Financial Officer

Statement of Cash Flow

for the year ended 31st March, 2022

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022 Audited	December 10, 2020 to March 31, 2021 Audited
Cash flow from operating activities		
Net profit / (loss) before tax and extraordinary items	653.90	(26.00)
Adjustment to reconcile net profit to net cash by operating activities		
Depreciation	879.13	-
Interest income earned	(346.57)	(0.32)
Operating Profit / (Loss) before working capital changes	1,186.46	(26.32)
Adjustment for:		
Trade and other receivable	(4,027.05)	(79.07)
Trade and other payable	4,807.48	105.00
Cash generated from operations	1,966.89	(0.38)
Less : Adjustment for Income tax	-	-
Net cash from operating activities	(A) 1,966.89	(0.38)
Cash flow from investing activities		
Sale / (expenditure) on Property, plant and equipment	(3,948.94)	-
Investment / (redemption) of own fund in Bank FD	(7,766.00)	-
Interest income	346.57	0.32
Net cash (used in) / generated from investing activities	(B) (11,368.37)	0.32
Cash flow from financing activities		
Net proceeds from issuance of equity shares - Initial Subscription	-	5.00
Net proceeds from issuance of equity shares - Rights Issue	1,500.00	8,495.00
Net cash generated from financial activities	(C) 1,500.00	8,500.00
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(7,901.48)	8,499.94
Cash and cash equivalents (opening)	8,499.94	-
Cash and cash equivalents (closing)	598.46	8,499.94

The above cash flow statement has been prepared using the indirect method as per IND AS 7

Previous year figures have been regrouped, reclassified & rearranged to confirm to current period presentation wherever necessary

As per our report attached

 For **KPCM & Co.**

 Chartered Accountants
 Registration No.: 117390W

CA Chimpu Lapsiwala

 Partner
 Membership No: 137998

 Place : Mumbai
 Date : 20th May, 2022

For and on behalf of Board of Directors

Biswamohan Mahapatra

 Chairman
 DIN: 06990345

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Dilip Asbe

 Director
 DIN: 02990724

Ashish Pai

Chief Financial Officer

Statement of Changes in Equity

for the year ended 31st March, 2022

2.11 Equity Share Capital

(Amount ₹ in Lakh)

Particulars	Amount
Balance as at 1st April, 2021	8,500.00
Changes in equity share capital during the year	1,500.00
Balance as at 31st March 2022	10,000.00

(Amount ₹ in Lakh)

Particulars	Amount
Balance as at 10th December, 2020	-
Changes in equity share capital during the period	8,500.00
Balance as at 31st March 2021	8,500.00

2.12 Other Equity

(Amount ₹ in Lakh)

Particulars	Retained Earnings	Other items of Other Comprehensive Income	Amount
Balance as at 1st April, 2021	(19.24)	-	(19.24)
Total Comprehensive Income for the year	414.76	13.82	428.58
Transfer to SGM Contribution - BBPS	(23.78)	-	(23.78)
Balance as at 31st March 2022	371.74	13.82	385.56

(Amount ₹ in Lakh)

Particulars	Retained Earnings	Other items of Other Comprehensive Income	Total
Balance as at 10th December, 2020	-	-	-
Total Comprehensive Income for the period	(19.24)	-	(19.24)
Transfer to SGM Contribution	-	-	-
Balance as at 31st March 2021	(19.24)	-	(19.24)

As per our report attached

For **KPCM & Co.**

Chartered Accountants
Registration No.: 117390W

CA Chimpu Lapsiwala

Partner
Membership No: 137998

Place : Mumbai
Date : 20th May, 2022

For and on behalf of Board of Directors

Biswamohan Mahapatra

Chairman
DIN: 06990345

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Dilip Asbe

Director
DIN: 02990724

Ashish Pai

Chief Financial Officer

Notes forming part of the Financial Statements

Corporate Information

NPCI Bharat BillPay Limited (NBBL) is a Wholly Owned Subsidiary of National Payments Corporation of India. NBBL was incorporated on 10th December 2020, under the provisions of the Companies Act, 2013. The registered office of NBBL is situated in the state of Maharashtra. NBBL was incorporated, inter alia, to operationalise Bharat Bill Payment Central Unit (BBPCU) under the Bharat Bill Payment System (BBPS) or any activity similar to operationalise such unit to provide an integrated bill payment system to participants that offers interoperable and accessible bill payment services or invoice based payments or non- invoice based payments including recharges, etc. to billers and customers through network of entities.

Bharat Bill Payment System is a Reserve Bank of India (RBI) conceptualised ecosystem which offers integrated, accessible and interoperable recurring payment services to consumers across geographies with certainty, reliability and safety of transactions. Consumers can make payments from convenience of smartphones/mobile app, website etc. across more than 250+ digital channels and also through nearly 2 lakh unique agent touch-points i.e. Kirana shops, Business Correspondents and Bank-Branches. Consumers can also use multiple payment modes both cash and digital modes i.e. UPI, net-banking, debit cards, credit cards, wallet, IMPS, Aadhaar based payments etc.

Consumers can pay their bills of multiple category of Billers "All at one place" via any channel which is enabled with Bharat BillPay. The categories includes utility payments like Electricity, Gas, Mobile Postpaid, Broadband Postpaid, Landline Postpaid, DTH, Water and other repetitive payments like Insurance, Loan repayments, FASTag Recharge, Municipality taxes, Subscription fees, Hospital, Housing Society, Cable TV, Credit Card, Clubs and Association etc.

RBI vide letter DPSS.CO.AD.No.S21/02.14.004/2019-20 dated 24th March 2021 had granted approval for transferring the license granted from NPCI to NPCI Bharat BillPay Limited along with all rights and obligations attached thereto with respect to BBPCU. Consequent to the same, the Business Transfer Agreement (BTA) was executed on 7th May, 2021 between National Payments Corporation of India (NPCI) and NPCI Bharat BillPay Limited (NBBL). As per the Business Transfer Agreement, the total asset taken over is of ₹ 3,783.00 lakhs and the liability taken over is of ₹ 363.00 lakhs. Accordingly, a total consideration of ₹ 3,420.00 lakhs had been remitted from NBBL to NPCI on 7th May, 2021. Also, in exercise of their powers conferred under Section 7 of the Payment and Settlement Systems Act, 2007, RBI granted the Certificate of Authorisation to operate the BBPCU to NPCI Bharat BillPay Limited.

During the FY 2021-22, the Company has increased the subscribed and paid up share capital by issuance of 15,00,000 equity shares of the face value of ₹ 100/- each by rights offer to its existing equity shareholders (NPCI), at par in proportion to the shares held.

Also, NPCI Bharat BillPay Limited is working with NPCI for having synergy in access like information technology, business development, operational support, etc.

1. Statement of Significant Accounting Policies

1.1 Basis of Preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (IND-AS) notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act. These financial statements have been prepared under the historical cost convention except certain Financial Assets and liabilities, which have been measured at fair value. The accounting policy provides information on such Financial Assets and liabilities measured at fair value. The Company follows the accrual basis of accounting.

These financial statements include the Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, the Statement of Cash Flows and Notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

1.2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of Cash Flow has been prepared and presented as per the requirements of IND-AS 7 "Statement of Cash Flow". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

The financial statements are presented in Indian Rupees in Lakh and all values are rounded off to the nearest lakh as permitted by Schedule III of the Companies Act, 2013. Earnings per share data are presented in Indian Rupees up to two decimal places.

1.3 Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standards, requires Management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and the results of operations during the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, actual results may differ from these estimates.

Notes forming part of the Financial Statements

1.4 Operating cycle

Based on the nature of its activities, the Company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non-current.

1.5. Revenue recognition as per IND-AS 115

Revenue from contracts with customers will be recognised when control of services is transferred to the customer at an amount that reflects the consideration entitled in exchange for those services. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the Government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

1.6. Financial Instruments

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial Assets and Financial Liabilities are initially measured at fair value.

Financial Assets

(i) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
- b. 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.

(ii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

Interest income on financial assets measured at amortised cost, is measured at effective interest rate on the gross carrying amount.

Cash and cash equivalents (including bank balances) are reflected as such in the statement of Cash Flow. Those cash and cash equivalents which are not

available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

Impairment of financial Assets:

The Company is not recognising estimated credit loss on trade receivables since the Company is dealing with regulated entities and has not experienced any loss due to credit risk since inception.

A financial asset is de-recognised when and only when:

- i. The contractual rights to the cash flows from the financial asset expire;
- ii. It transfers the Financial Assets and the transfer qualifies for derecognition.

Financial Liabilities

Financial Liabilities are subsequently carried at amortised cost using the effective interest method for trade and other payables, maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Property, Plant and Equipment (PPE)**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied.

Notes forming part of the Financial Statements

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as "**Capital Advances**" under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the property, plant and equipment is de-recognised.

Depreciation is calculated on a Straight-Line Method on the basis of the useful life as specified in Schedule II to the Companies Act, 2013. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset.

Depreciation for additions to/deductions from, owned Assets is calculated on pro rata basis.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

Depreciation charged for impaired Assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Depreciation is provided using the straight line method as per the following useful life as per Schedule II of the Companies Act 2013:

Sr. No.	Nature of Assets Tangible Assets	Estimated useful life (In years)
1.	Network Equipment / Central Switching	6
2.	Office Equipment #	5
3.	Computers and Printers	3
4.	Furniture and Fittings	10
5.	Vehicles	8
6.	Leasehold Improvements*	-
7.	Buildings (Other than factory Building)	60

Office equipment includes Air conditioners, Web cameras, Fire alarm system etc.

*Leasehold Improvements are depreciated over the lease term.

Repairs & maintenance costs are recognised in the statement of Income and Expenditure

**(Addendum inserted on 8th August, 2022)

1.8 Intangible Assets**

Intangible Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Intangible Assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

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 entity and the cost can be measured reliably.

Intangible Assets not ready for the intended use on the date of the Balance Sheet, are disclosed as "Intangible Assets under development".

Amortisation on impaired Assets is provided by adjusting the amortisation charges in the remaining period so as to allocate the Asset's revised carrying amount over its remaining useful life.

Intangible assets include Goodwill, computer software; brand names; copyrights, and patents and other intellectual property rights, service and operating rights, specific development cost, etc.

The cost of internally generated copyrights, and patents and other intellectual property rights, service and operating rights, etc. will be capitalised if it is probable that the future economic benefits that are attributable to the asset will flow to NBBL; and the cost of the asset can be measured reliably. NBBL should assess the probability of future economic benefits using reasonable and supportable assumptions that represent best estimate of the set of economic conditions that will exist over the useful life of the asset. It is proposed that the cost of internally generated copyrights, and patents and other intellectual property rights, etc. will be amortized over a period of 5 years from the date of purchase. The specific development costs will necessarily be for the core activities which will generate economic benefits.

As required in IND-AS 38, internally generated brands will not to be capitalised and charged off to expenses. Brands acquired on account of business combinations will be tested for impairment annually.

Amortization is provided using the Straight Line Method as per the management's assessment of the useful life which is given below:

Notes forming part of the Financial Statements

Sr. No.	Nature of Assets	Estimated useful life (In years)
1.	Computer Software	3
2.	Copyrights, and patents and other intellectual property rights (IPR)	5
3.	Brands / Brands acquired	NA (expensed out) / Tested for Impairment annually
4.	Goodwill	Tested for Impairment annually (Supported by valuation report)
5.	Contracts with Customers	5

**(Addendum inserted on 8th August, 2022)

1.9 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Earnings per equity share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to the equity holders of the Company by the weighted average number of equity shares outstanding at the end of the reporting period. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

1.10 Income Tax

Tax expense (tax income) is the aggregate amount included in the determination of Profit or Loss for the period in respect of current tax and deferred tax. Current tax is measured as the amount expected to be paid to the Tax Authorities in accordance with the provision of Income Tax Act, 1961. The Company offsets, on a year on year

basis, the current tax Assets and Liabilities, where it has a legally enforceable right and where it intends to settle such Assets and Liabilities on a net basis.

Deferred tax is recognised as a temporary difference between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities and assets are measured based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax Assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax Assets can be realized.

Transaction or event which is recognised outside the statement of Profit and Loss, either in other comprehensive income or in equity, if any is recorded along with the tax as applicable.

1.11 Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value unless the effect of time value of money is not affecting materially and are determined based on a best estimate required to settle the obligation at the Balance Sheet date.

1.12 Statement of Cash Flow

Statement of Cash flow is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net surplus is adjusted for the effects of changes during the period in operating receivables and payables transactions of a non-cash nature

- Non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- All other items for which the cash effects are investing or financing cash flows.

1.13 Valuation of Deferred Tax Assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note above.

Notes forming part of the Financial Statements

2.1 Property, Plant and Equipment

Following are the changes in the carrying value of the Property, Plant and Equipment for the year ended 31st March 2022:

Asset Group	GROSS BLOCK		ACCUMULATED DEPRECIATION			NET BLOCK	
	As at 01-Apr-2021	As at 31-Mar-2022	As at 01-Apr-2021	For the period	Deletions/ Adjustments	As at 31-Mar-2022	As at 31-Mar-2021
Computers	-	12.77	-	6.31	-	6.31	-
Network Equipment	-	52.37	-	37.70	-	37.70	-
Switching Eq / Central Processors	-	231.29	-	135.55	-	135.55	-
Telephone	-	0.29	-	0.17	-	0.17	-
Total	-	296.72	-	179.73	-	179.73	116.99

(Amount ₹ in Lakh)

Capital Work - in progress

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Opening	-	-
Additions during the year	315.54	-
Less: capitalised during the year	(315.54)	-
Closing Balance	-	-

(Amount ₹ in Lakh)

2.2 Intangible assets

Following are the changes in the carrying value of Intangibles acquired for the period ended 31st March, 2022:

Asset Group	GROSS BLOCK		ACCUMULATED DEPRECIATION			NET BLOCK	
	As at 01-Apr-2021	As at 31-Mar-2022	As at 01-Apr-2021	For the period	Deletions/ Adjustments	As at 31-Mar-2022	As at 31-Mar-2021
Computer Software	-	346.81	-	79.79	-	79.79	-
BBPS	-	0.01	-	0.01	-	0.01	-
IPR - BHARAT BILLPAY	-	1,888.00	-	377.60	-	377.60	-
Contracts with Customers	-	1,210.00	-	242.00	-	242.00	-
Goodwill on Purchase consideration	-	207.40	-	-	-	-	207.40
Total	-	3,652.22	-	699.40	-	699.40	2,952.82

(Amount ₹ in Lakh)

Notes forming part of the Financial Statements

2.2 Intangible assets (Contd..)

RBI vide letter DPSS.CO.AD.No .S21/02.14.004/2019-20 dated 24th March 2021 had granted approval for transferring the license granted from NPCI to NPCI Bharat BillPay Limited along with all rights and obligations attached thereto with respect to BBPCU. Consequent to the same, the Business Transfer Agreement (BTA) was executed on 7th May, 2021 between National Payments Corporation of India (NPCI) and NPCI Bharat BillPay Limited (NBBL). As per the Business Transfer Agreement, the total asset taken over is of ₹ 3,783.00 lakhs and the liability taken over is of ₹ 363.00 lakhs. Accordingly, a total consideration of ₹ 3,420.00 lakhs had been remitted from NBBL to NPCI on 7th May, 2021. Also, in exercise of their powers conferred under Section 7 of the Payment and Settlement Systems Act, 2007, RBI granted the Certificate of Authorisation to operate the BBPCU to NPCI Bharat BillPay Limited. NBBL has carried out purchase price Allocation in following Assets as on 1st April 2021.

		(Amount ₹ in Lakh)
S. No.	Asset	Amount
1	Tangible Assets (WDV of Fixed Assets on 31st March 2021 of NPCI - ₹ 404.00 lakhs, CWIP ₹ 67.00 lakhs Debotrs - ₹ 6.06 lakhs).	477.60
2	Intellectual Property Right (IPR) of the "BHARAT BILLPAY" Trademark.	1,888.00
3	The Customer relationship and Contractual arrangements with Customers.	1,210.00
4	Goodwill, which Value of all Non Separable Intangibles.	207.40
Total		3,783.00

2.3 Deferred Tax Assets (Net)

		(Amount ₹ in Lakh)	
Particulars	As at 31-Mar-2022	As at 31-Mar-2021	
Deferred Tax Asset			
Business loss	-	6.76	
Total	-	6.76	

2.4 Other Non-current Assets

		(Amount ₹ in Lakh)	
Particulars	As at 31-Mar-2022	As at 31-Mar-2021	
Preliminary Expenses			
Incurred	77.55	96.94	
Less: Write off during the year	(77.55)	(19.39)	
Total	-	77.55	

2.5 Trade receivables

		(Amount ₹ in Lakh)	
Particulars	As at 31-Mar-2022	As at 31-Mar-2021	
Unsecured considered Good			
Receivables for Switching Fees	14.71	-	
Receivables from National Payments Corporation of India	54.00	-	
Total	68.71	-	

The Company has exposure to regulated entities, hence the credit risk is limited. All trade receivables are reviewed and assessed for default on a monthly basis and the risk is mitigated by timely monitoring of receivables. Based on historical experience of collecting receivables, supported by the level of default, is that credit risk is low. Accordingly, our provision for expected credit loss on trade receivable is not material.

There are no unbilled revenue as at 31st March 2022 & 31st March 2021.

Notes forming part of the Financial Statements

2.5 Trade receivables (Contd..)

Ageing of trade receivable as at 31-March-2022

(Amount ₹ in Lakh)

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	68.71	-	-	-	-	68.71
Undisputed trade receivables - significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables - significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Total	68.71	-	-	-	-	68.71

Ageing of trade receivable as at 31-March-2021

(Amount ₹ in Lakh)

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	-	-	-	-	-	-
Undisputed trade receivables - significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables - significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

2.6 Cash & Cash Equivalents

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Own Funds		
Balances with Banks		
Current account	598.46	4,519.94
Term Deposits with Banks		
Term deposit with maturity less than 3 months	-	3,980.00
Total	598.46	8,499.94

For better cash management, the Company has arrangement with a Bank where the funds exceeding the specified limit are automatically transferred to flexi deposit account as short term deposit.

2.7 Other Bank Balances

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Term Deposits with Banks		
Original maturity more than 12 month but current maturity less than 12 months with Banks	7,766.00	-
Total	7,766.00	-

Notes forming part of the Financial Statements

2.8 Other Financial Assets

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Advance to Employees (including KMP)	8.01	-
Interest Accrued but not due (other than SGM contribution deposits)	23.19	0.32
Interest Accrued but not due (SGM Contributions)	8.41	-
Security Deposit	1.65	-
HDFC Group Gratuity Receivable	67.20	-
HDFC Group Leave Encashment Receivable	48.25	-
Term Deposit with Banks with maturity less than 3 months		
Term deposits with Banks - (SGM - BBPS Contribution)	1,149.89	-
with maturity more than 3 months but less than 12 months		
Term deposits with Banks - (SGM - BBPS Contribution)	2,389.00	-
Total	3,695.60	0.32

The Company maintains exposure in cash and cash equivalents and term deposits with the banks. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings, hence the risk is reduced. Individual risk limits are set for each counter-party based on credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury Department. The investment of the Company is in high grade investment categories reducing the credit risk exposure to near minimal.

The Company has made advance payments to the KMPs and other officers of the Company as stated above in 'Advance to Employees (including KMP)'. There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other person or advances to firms or private companies respectively in which any director is a partner or a director or a member other than as stated above.

2.9 Other current assets

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Prepaid expenses	22.71	-
Advance to vendors	2.38	-
GST input credit	107.06	1.20
Accrued income	45.16	-
Total	177.31	1.20

The prepaid expenses consist of un-expired portion of annual maintenance expenses, Insurance premium, subscription, etc.

Financial Instruments

Financial Instrument by Category

The carrying value and fair value of financial instruments by categories as at 31st March, 2022 were as follows:

Financial Assets

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Measured at amortised cost		
Trade receivables	68.71	-
Cash & cash equivalents	598.46	8,499.94
Other bank balances	7,766.00	-
Other Financial Assets	3,695.60	0.32
Total Financial Assets	12,128.77	8,500.26

Notes forming part of the Financial Statements

2.9 Other current assets (Contd..)

Financial Liabilities

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2022	As at 31-Mar-2021
Measured at amortised cost		
Trade payables	755.80	102.95
Other financial liabilities	65.93	1.37
Total financial liabilities	821.73	104.32

Financial Risk Management

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Since the Company has exposure only with its Holding Company the credit risk is limited. It is mitigated by timely monitoring of receivables. The Company has robust accounts receivable collection mechanism which has ensured near zero level of credit risk since inception. The investment of the Company is in high grade investment category reducing the credit risk exposure to near minimal. The following table gives details in respect of % of revenue generated from top customer and top 5 customers :

Particulars	for the year ended 31-Mar-2022	for the year ended 31-Mar-2021
Revenue from top customer	23%	NA
Revenue from top 5 customers	64%	NA

Credit Risk Exposure

There is no requirement for providing for expected credit loss as the Company has robust collection mechanism and has not written off any amount due to customer credit risk exposure.

2.10 Equity Share Capital

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2022	As at 31-Mar-2021
Authorised		
1,00,00,000 Equity Shares of ₹ 100 each (PY 1,00,00,000 Equity Shares of ₹ 100 each)	10,000.00	10,000.00
Issued, Subscribed and Paid Up :		
Issued Share Capital		
1,00,00,000 Equity Shares of ₹ 100 each (PY 85,00,000 Equity Shares of ₹ 100 each)	10,000.00	8,500.00
Subscribed and Paid up Capital		
Opening Balance	8,500.00	-
Addition during the year	1,500.00	8,500.00
Closing Balance		
1,00,00,000 Equity Shares of ₹ 100 each (PY 85,00,000 Equity Shares of ₹ 100 each)	10,000.00	8,500.00
Total	10,000.00	8,500.00

Reconciliation of shares outstanding at the beginning and end of the year ended 31st March, 2022.

Particulars	(Amount ₹ in Lakh)			
	As at 31-Mar-2022		As at 31-Mar-2021	
	Number	Amount	Number	Amount
Equity shares at the beginning of the year	85,00,000	8,500.00	-	-
Add: equity shares issued at par during the financial year	15,00,000	1,500.00	85,00,000	8,500.00
Shares outstanding at the end of the year	1,00,00,000	10,000.00	85,00,000	8,500.00

Notes forming part of the Financial Statements

Details of shares held by Holding Company and nominees of Holding Company in aggregate

Particulars	As at 31-Mar-2022		As at 31-Mar-2021		change in % of total shares
	Number	% of total shares	Number	% of total shares	
Equity shares of ₹100 each	1,00,00,000	100%	85,00,000	100%	-

Particulars	As at 31-Mar-2021		As at 31-Mar-2020		change in % of total shares
	Number	% of total shares	Number	% of total shares	
Equity shares of ₹100 each	85,00,000	100%	-	-	100%

Terms/Rights attached to Equity Shares:

The Company has only one class of equity share having par value of ₹ 100 each. Each equity share represents one vote in case of poll. In the period of five years immediately preceding 31st March 2022:

- The Company has not allotted any bonus shares.
- The Company has not allotted any equity shares as fully paid up without payment being received in cash.

Details of Shareholders holding more than 5% share in the Company

Name of the Shareholders	Equity Shares			
	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of shares held	% of holding	No. of shares held	% of holding
National Payments Corporation of India	1,00,00,000	100%	85,00,000	100%

2.12 Other financial liabilities

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
SGM Contribution	3,716.78	-
Total	3,716.78	-

The Standardised Settlement Guarantee Mechanism was consented by RBI vide letter CO.DPSS.OVRST.No.S57/06-07-012/2021-2022 dated 1st May 2021. In accordance with the said guidelines, the Company has collected from banks availing BBPS services, deposits towards the Settlement Guarantee Mechanism (SGM). The amount of SGM contribution including interest (net of expenses) earned on said balance, as on 31st March 2022 is ₹3,716.78 lakhs. The SGM contribution is placed as earmarked fixed deposits. The surplus income earned on these earmarked investments (net off SGM expenses and the Income Tax expenses) is transferred to SGM contribution as per the guidelines.

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
SGM balance at the beginning	-	-
Add : Contribution received during the year	4,073.70	-
Less : Contribution refunded during the year	(395.87)	-
Subtotal (A)	3,677.83	-
Transfer from NPCI as part of Business Transfer Agreement	15.17	-
Interest received in SGM Investment	64.34	-
Less : Expenses	(30.54)	-
Less : Salary expense of SGM adjusted against income	(2.02)	-
Less : Income tax	(8.00)	-
Subtotal (B)	38.95	-
SGM - BBPS balance at the end of the year (A+B)	3,716.78	-

Notes forming part of the Financial Statements

2.13 Long term provisions

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2022	As at 31-Mar-2021
Provision for Gratuity	50.94	-
Provision for Leave encashment	34.10	-
Total	85.04	-

2.14 Deferred Tax liabilities (Net)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2022	As at 31-Mar-2021
Deferred Tax Liability		
Property, plant & equipment and intangible asset	51.86	-
Other Comprehensive Income	5.33	-
Deferred Tax Asset		
Preliminary Expenses	(16.18)	-
Gratuity - Provision	(16.76)	-
Leave Encashment - Provision	(11.55)	-
Total	12.71	-

2.15 Trade Payables

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2022	As at 31-Mar-2021
- Micro and Small Enterprises (refer note no 2.29)	0.81	1.18
- Other than Micro and Small Enterprises	754.99	101.77
Total	755.80	102.95

Ageing of Trade Payable as on 31st March 2022

Particulars	(Amount ₹ in Lakh)				Total
	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	0.81	-	-	-	0.81
Other than Micro and Small Enterprises	754.99	-	-	-	754.99
Disputed dues- Micro and Small Enterprises	-	-	-	-	-
Disputed dues- Other than Micro and Small Enterprises	-	-	-	-	-
Total	755.80	-	-	-	755.80

Ageing of Trade Payable as on 31st March 2021

Particulars	(Amount ₹ in Lakh)				Total
	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	1.18	-	-	-	1.18
Other than Micro and Small Enterprises	101.77	-	-	-	101.77
Disputed dues- Micro and Small Enterprises	-	-	-	-	-
Disputed dues- Other than Micro and Small Enterprises	-	-	-	-	-
Total	102.95	-	-	-	102.95

Notes forming part of the Financial Statements

2.16 Others financial liabilities

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
TDS Payable	50.01	0.55
GST Payable	1.86	0.74
Other Statutory Liabilities	9.81	0.08
Other payable	4.25	-
Total	65.93	1.37

Other Statutory Liabilities: It consists of amount payable towards Profession tax, Provident Fund, NPS Contribution

2.17 Provisions

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Provision for Expenses	296.03	0.69
Provision for Leave Encashment	7.40	-
Provision for Gratuity	9.29	-
Total	312.72	0.69

The movement of provision (including long term provisions) for expenses is as follows:

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Balance at the beginning of the year	0.69	-
Provision during the year	397.76	0.69
Less : Provision Utilised/Reversed during the year	(0.69)	-
Balance at the end of the Year	397.76	0.69

2.17.1 Gratuity and Leave Encashment

The Gratuity and Leave Encashment Scheme of the Company are funded with HDFC Life Insurance Company Limited in the form of qualifying insurance policy. The disclosure is based on Actuarial Valuation based on details provided by HDFC Life Insurance Company Limited. The summarized position of post-employment benefits is recognized in the Profit & Loss account and Balance Sheet are as under:

Gratuity Plan

(Amount ₹ in Lakh)

Net (Asset) / Liability recognised in the Balance Sheet	As at 31-Mar-2022	As at 31-Mar-2021
Present Value of Obligation	60.23	-
Funded Status - (Surplus) /Deficit	60.23	-
Net (Asset) / Liability recognised in the Balance Sheet	60.23	-

(Amount ₹ in Lakh)

Amount recognised in Statement of Profit & Loss Account	As at 31-Mar-2022	As at 31-Mar-2021
Current service cost	16.50	-
Interest cost	3.64	-
Total Expense/(Income) charged to Profit & Loss Account	20.14	-

Notes forming part of the Financial Statements

2.17.1 Gratuity and Leave Encashment (Contd..)

(Amount ₹ in Lakh)

Reconciliation of amounts in Balance Sheet	As at 31-Mar-2022	As at 31-Mar-2021
Opening Net Defined Benefit Liability /(Asset)	59.23	-
Total Expense (Income) recognised in profit and loss	20.14	-
Actual Employer Contribution	-	-
Total Re-measurements recognised in Other Comprehensive (Income)/Loss	(19.15)	-
Liability / (Asset) recognised in the Balance sheet	60.22	-

(Amount ₹ in Lakh)

Change in Present Value of Obligation during the year	As at 31-Mar-2022	As at 31-Mar-2021
Present Value of Obligation at the beginning of the Year	59.23	-
Current Service Cost	16.50	-
Interest Cost	3.64	-
Actuarial (Gain)/Loss on Obligation	(19.15)	-
Benefits Paid	-	-
Present Value of Obligation at the end of the Year	60.22	-

(Amount ₹ in Lakh)

Amount recognised in other comprehensive income (OCI)	As at 31-Mar-2022	As at 31-Mar-2021
Opening amount recognised in OCI	-	-
Re-measurements due to :		
Effect of Change in Financial Assumption	(1.16)	-
Effect of Change in Demographic Assumption	-	-
Effect of Experience Adjustments	(17.99)	-
Actuarial (Gain)/Loss	(19.15)	-
Return on Plan Assets (excluding Interest)	-	-
Total Re-measurements recognised in OCI	(19.15)	-
Amount recognised in OCI at the end of the period	(19.15)	-
Actuarial assumptions		
Discount Rate	6.55%	-
Expected Rate of Return on Assets	0.00%	-
Employee Attrition Rate	15.00%	-
Future Salary Increases considering Inflation, Seniority, Promotion	8.00%	-

History of Defined Benefit Obligation (DBO), Asset values, Surplus / Deficit, Experience Gain / Losses

(Amount ₹ in Lakh)

Particulars	31-Mar- 2022	31-Mar- 2021	31-Mar- 2020	31-Mar- 2019	31-Mar- 2018
DBO	60.22	59.23	N.A.	N.A.	N.A.
(Surplus) / Deficit	60.22	59.23	N.A.	N.A.	N.A.
Assumptions (Gain) / Loss	(1.16)	-	N.A.	N.A.	N.A.
Exp Adj. - Plan Liabilities (Gain) / Loss	(17.99)	-	N.A.	N.A.	N.A.
Total Actuarial (Gain) / Loss	(19.15)	-	N.A.	N.A.	N.A.

Notes forming part of the Financial Statements

2.17.1 Gratuity and Leave Encashment (Contd..)

Sensitivity Analysis

Particulars	Increase / Decrease	Change in assumption	Change in Plan obligation
		FY 2021-22	
Discount rate (per annum)	Increase	0.50%	-2.31%
	Decrease	-0.50%	2.43%
Salary Growth rate (per annum)	Increase	0.50%	1.63%
	Decrease	-0.50%	-1.99%

(Amount ₹ in Lakh)	
Expected Cash Flow	31-Mar-2022
Year 1	9.29
Year 2	14.76
Year 3	5.73
Year 4	5.80
Year 5	5.87
Year 6 to 10	24.00

Leave Encashment Plan

(Amount ₹ in Lakh)		
Net (Asset) / Liability recognised in the Balance Sheet	As at 31-Mar-2022	As at 31-Mar-2021
Present Value of Obligation	41.50	-
Funded Status - (Surplus) /Deficit	41.50	-
Net (Asset) / Liability recognised in the Balance Sheet	41.50	-

(Amount ₹ in Lakh)		
Amount recognised in the Statement of Profit & Loss Account	As at 31-Mar-2022	As at 31-Mar-2021
Current Service Cost	15.99	-
Interest Cost	3.28	-
Net Actuarial (Gain)/Loss recognised during the Year	(31.17)	-
Total Expense/(Income) charged to Profit & Loss Account	(11.90)	-

(Amount ₹ in Lakh)		
Reconciliation of amounts in Balance Sheet	As at 31-Mar-2022	As at 31-Mar-2021
Opening Net Defined Benefit Liability /(Asset)	53.40	-
Total Expense (Income) recognised in Profit & Loss Account	(11.90)	-
Liability / (Asset) recognised in the Balance Sheet	41.50	-

(Amount ₹ in Lakh)		
Change in Present Value of Benefit Obligation during the year	As at 31-Mar-2022	As at 31-Mar-2021
Present Value of Obligation at the beginning of the year	53.40	-
Current Service Cost	15.99	-
Interest Cost	3.28	-
Actuarial (Gain)/Loss on Obligation	(31.17)	-
Present Value of Obligation at the end of the year	41.50	-
Actuarial Assumptions		
Discount Rate	6.55%	-
Expected Rate of Return on Assets	0.00%	-

Notes forming part of the Financial Statements

2.17.1 Gratuity and Leave Encashment (Contd..)

	(Amount ₹ in Lakh)	
Change in Present Value of Benefit Obligation during the year	As at 31-Mar-2022	As at 31-Mar-2021
Employee Attrition Rate	15.00%	-
Future Salary Increases considering Inflation, Seniority Promotion	8.00%	-
Retirement Age	60 years	-

History of Defined Benefit Obligation (DBO), Asset values, Surplus / Deficit, Experience Gain / Losses

	(Amount ₹ in Lakh)				
Particulars	31-Mar-2022	31-Mar-2021	31-Mar-2020	31-Mar-2019	31-Mar-2018
DBO	41.50	53.40	N.A.	N.A.	N.A.
(Surplus) / Deficit	41.50	53.40	N.A.	N.A.	N.A.
Assumptions (Gain) / Loss	(0.90)	-	N.A.	N.A.	N.A.
Exp Adj. - Plan Liabilities (Gain) / Loss	(30.28)	-	N.A.	N.A.	N.A.
Total Actuarial (Gain) / Loss	(31.18)	-	N.A.	N.A.	N.A.

Sensitivity Analysis

Particulars	Increase / Decrease	Change in assumption	Change in Plan obligation
		FY 2021-22	
Discount rate (per annum)	Increase	0.50%	-2.39%
	Decrease	-0.50%	3.12%
Salary Growth rate (per annum)	Increase	0.50%	2.47%
	Decrease	-0.50%	-2.37%

	(Amount ₹ in Lakh)
Expected Cash Flow	31-Mar-2022
Year 1	7.40
Year 2	7.41
Year 3	4.93
Year 4	4.45
Year 5	4.02
Year 6 to 10	16.48

The employees of NPCI were transferred to NBBL w.e.f. 1st April 2021 pursuant to the Business Transfer Agreement between NPCI and NBBL and hence the cost of Gratuity and Leave Encashment till 31st March 2021 transferred from NPCI to NBBL is as follows:

	(Amount ₹ in Lakh)
Particulars	Amount
Gratuity	59.23
Leave Encashment	53.40
Total	112.63

2.18 Current Tax Liabilities (Net)

	(Amount ₹ in Lakh)	
Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Provision for Tax - AY 2022-23 (Net)	41.35	-
Total	41.35	-

Notes forming part of the Financial Statements

2.19 Revenue from Operations

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Income from Payment services / BBPS	3,481.93	-
Certification income	28.00	-
Other operating income	11.73	-
Total	3,521.66	-

2.20 Other Income

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Interest Income on deposits	282.19	0.32
Interest Income on earmarked fund (BBPS) SGM	64.38	-
Total	346.57	0.32

2.21 Operating Expenses

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Annual Maintenance Charges - Hardware	73.24	-
Annual Maintenance Charges - Software	142.50	-
Total	215.74	-

2.22 Employee Benefits Expenses

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Salary & Allowances	1,300.97	-
Contribution to Employee Benefits	52.83	-
Outsourcing Cost	22.81	-
Staff Welfare	1.65	-
Total	1,378.26	-

2.23 Depreciation and amortisation expenses

Reconciliation of amounts in Balance Sheet	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Depreciation on tangible assets (Sch. 2.1)	179.73	-
Amortisation on intangible assets (Sch. 2.2)	699.40	-
Total	879.13	-

2.24 Administrative & establishment expenses

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Rent (Co-shared arrangement)	55.38	-
Rates & Taxes	0.06	0.05
Travelling Expenses - Local	7.50	-
Boarding and Lodging- Domestic	6.82	-

Notes forming part of the Financial Statements

2.24 Administrative & establishment expenses (Contd..)

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Computer consumables	0.21	-
Electricity	5.80	-
Telephone & communication expenses	0.55	-
Sitting fees to directors	4.00	2.00
Insurance	0.08	-
Printing & Stationery	0.01	-
Internal Audit Fees	1.60	0.15
Postage & Courier	0.05	-
General Expenses	8.79	-
Admin overhead charges	9.96	-
Bank charges	0.11	0.00
Employer - Profession Tax	0.10	0.03
Preliminary Expenses	77.55	19.39
Honorarium Fees	0.70	2.10
Total	179.27	23.72

2.25 Other expenses

Particulars	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Professional Fees	48.03	1.60
Legal Fees	2.06	-
Marketing Expenses	466.46	-
Subscription Fees	0.66	-
Finance Charges - LOC SGM	30.54	-
Membership Fees	0.34	-
Recruitment Expenses	10.94	-
Statutory Audit Fees	1.00	1.00
Limited Review Fees	0.70	-
Out of Pocket Expenses	0.07	-
Tax Audit Fees	0.40	-
Interest on TDS	0.02	-
Miscellaneous Expenses	0.71	-
Total	561.93	2.60

Auditor's Remuneration	(Amount ₹ in Lakh)	
	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Statutory Audit Fees	1.00	1.00
Audit Fees for Limited Review	0.70	-
Out of Pocket Expenses	0.07	-
Total	1.77	1.00

Notes forming part of the Financial Statements

2.26 Earnings per equity share (EPS)

(Amount ₹ in Lakh)

Earnings per equity share (EPS)	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Net Profit / (Loss) as per statement of Profit and Loss	428.58	(19.24)
Weighted Average Number of Equity Shares	85.66	85.00
EPS :		
(1) Basic EPS (Face value ₹ 100 per Equity Share)	5.00	(0.23)
(2) Diluted EPS (Face value ₹ 100 per Equity Share)	5.00	(0.23)

Financial ratios	Formula	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	10.47	80.96
Debt-Equity Ratio	Not applicable as there are no Debt in the Company	N.A.	N.A.
Debt Service Coverage Ratio	Not applicable as there are no Debt in the Company	N.A.	N.A.
Return on Equity Ratio	$\frac{\text{Net profit after taxes}}{\text{Shareholder's Equity}}$	3.99%	-0.23%
Inventory turnover ratio	Not applicable considering the nature of business of the Company	N.A.	N.A.
Trade Receivables turnover ratio	$\frac{\text{Revenue from operations}}{\text{Average trade receivables}}$	102.51	-
Trade Payables turnover ratio	$\frac{\text{Operating expenses}}{\text{Average Trade Payable}}$	4.28	0.51
Net Capital turnover ratio	$\frac{\text{Revenue from operations}}{\text{Working Capital}}$	0.32	-
Net Profit ratio	$\frac{\text{Net Profit}}{\text{Net Operating Income}}$	11.78%	-
Return on Capital Employed	$\frac{\text{Earnings before Interest \& Tax}}{\text{Capital Employed}}$	6.30%	-0.31%
Return on investment	$\frac{\text{Net return on Investment}}{\text{Cost of Investment}}$	3.07%	0.00%

a. Current Ratio :

The previous financial year 2020-21 was the first year of operation of the Company. During the current financial year 2021-22 decrease in Current ratio is on account significant increase in the current liabilities by approximately 12 times and a marginal increase in the current assets by 0.50 times.

b. Debt-Equity Ratio :

The said ratio is not applicable as the Company does not have any debt.

c. Debt Service Coverage Ratio :

The said ratio is not applicable as the Company does not have any debt.

d. Return on Equity Ratio :

The previous financial year 2020-21 was the first year of operation of the Company and it was in a formative stage. During the current year the Company has acquired the BBPS unit of its Holding Company and hence there has been augmentation in operating income and accordingly during the current year the Company has reported a profit of ₹ 414.76 lakhs against the loss of previous year of ₹ 19.23 lakhs. Also, the shareholder's equity has increase by 22% during the current financial year

Notes forming part of the Financial Statements

e. Inventory turnover ratio :

The said ratio is not applicable as the Company does not have any Inventory.

f. Trade Receivables turnover ratio :

The previous financial year 2020-21 was the first year of operation of the Company and it was in a formative stage. During the current year the Company has acquired the BBPS unit of its Holding Company and hence there has been augmentation in operating income and accordingly during the current year the Company has reported revenue from operations of ₹ 3,521.66 lakhs against NIL for the previous year. Also, the average trade receivables during the current year is ₹ 34.36 lakhs as against NIL for the previous year.

g. Trade payables turnover ratio :

The previous financial year 2020-21 was the first year of operation of the Company and it was in a formative stage. During the current year the Company has acquired the BBPS unit of its Holding Company and hence there has been augmentation in operating income and accordingly during the current year the Company has reported an approximate increase in the net purchases by 69 times. However, trade payables has almost increased by 8 times during the current year in comparison with the previous financial year.

h. Net capital turnover ratio :

The previous financial year 2020-21 was the first year of operation of the Company and it was in a formative stage. During the current year the Company has acquired the BBPS unit of its Holding Company and hence there has been augmentation in operating income and accordingly during the current year the Company has reported revenue from operations of ₹ 3,521.66 lakhs against NIL for the previous year. Also, Net average working capital has nearly increased by 33% during the current financial year in comparison with the previous financial year.

i. Net profit ratio :

The previous financial year 2020-21 was the first year of operation of the Company and it was in a formative stage. During the current year the Company has acquired the BBPS unit of its Holding Company and hence there has been augmentation in operating income and accordingly during the current year the Company has reported a profit of ₹ 414.76 lakhs against the loss in previous year of ₹ 19.23 lakhs. Also, during the current year the Company has net revenue from operations of ₹ 3,521.76 lakhs against the NIL for the previous year.

j. Return on Capital employed :

The previous financial year 2020-21 was the first year of operation of the Company and it was in a formative stage. During the current year the Company has acquired the BBPS unit of its Holding Company and hence there has been augmentation in operating income and accordingly during the current year the Company has reported a profit of ₹ 653.90 lakhs against the loss in previous year of ₹ 25.99 lakhs. Also, capital employed has almost increased by 22% during the current financial year in comparison with the previous financial year.

k. Return on investment :

The previous financial year 2020-21 was the first year of operation of the Company and it was in a formative stage. During the current year the Company has acquired the BBPS unit of its Holding Company and hence there has been augmentation in operating income and accordingly during the current year Company has reported a interest earned on Investments of ₹ 346.57 lakhs against ₹ 0.32 lakhs for previous year. Also, cost of investment has increased by 33% during the current financial year in comparison with the previous financial year.

Notes forming part of the Financial Statements

2.27 Related Party Disclosures

Name of related party	Nature of Relationship
National Payments Corporation of India	Holding Company

Name of KMP / Related parties:

Key Managerial Personnel - Directors	Particulars	Date of appointment	Date of Retirement /Cessation
Mr. Biswamohan Mahapatra	Chairman	10-Dec-20	-
Mr. Dilip Asbe	Non-independent Non-Executive	10-Dec-20	-
Mr. Ravindra Pandey	Non-independent Non-Executive	10-Dec-20	12-Aug-21
Mr. Rana Ashutosh Kumar Singh	Non-independent Non-Executive	12-Aug-21	-
Ms. Praveena Rai	Non-independent Non-Executive	27-Jan-22	-

Key Managerial Personnel of the Company	Designation	Date of appointment	Date of Retirement /Cessation
Ms. Noopur Chaturvedi	Chief Executive Officer	06-Aug-21	-
Mr. A R Ramesh	Manager	08-Mar-21	03-Aug-21
Mr. Ashish Pai	Chief Financial Officer	08-Mar-21	-
Mr. Prateek Bakliwal	Company Secretary	07-Jan-21	30-Nov-21
Ms. Supreetha Shetty	Company Secretary	01-Dec-21	-

Transactions with Related Parties

The details of Related Party Transactions entered into by the Company for the year ended 31st March, 2022 are as below:

(Amount ₹ in Lakh)				
Name of Related Party		Nature of Transaction	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
	Expense	Reimbursement of Stamp Duty & Director's sitting Fees	-	97.78
		Shared Services cost	145.20	-
		AMC Hardware & Software	209.14	-
		Reimbursement of Staff Welfare expense	5.20	-
		Processing Fees for LOC SGM BBPS	3.10	-
National Payments Corporation of India	Income	Reimbursement of expenses	12.23	-
		Appropriation to SGM Contribution	15.17	-
		transfer of interest of SGM FD	10.19	-
		Consumer Awareness Program Campaign fees	50.00	-
	Asset	Business purchase	3,420.00	-
		CWIP Tangible Asset	27.79	-
		Debtors of BBPS	6.48	-
	Liability	SGM-BBPS Member Bank Contribution	1,127.83	-
Yes Bank Limited	Income	Switching fees	3.27	-

Details of Amounts Due to or Due from Related Parties as at 31st March, 2022

(Amount ₹ in Lakh)			
Amount Payable to Related Parties:	Nature of Balances	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
National Payments Corporation of India	Trade Payable	37.52	97.78
	Trade Receivable	54.00	-

Notes forming part of the Financial Statements

2.27 Related Party Disclosures (Contd..)

	(Amount ₹ in Lakh)	
Transactions with Key Managerial Personnel	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Sitting Fees	4.00	2.00
Advance Security Deposit	7.00	-
Total	11.00	2.00

	(Amount ₹ in Lakh)	
Compensation to Key Management Personnel of the Company	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
Short Term Employee Benefits	185.30	-
Post-Employment Benefits*	19.60	-
Other Long Term Benefits	-	-
Total	204.90	-

*The above Post-employment benefit excludes gratuity provision which cannot be separately identified from the composite amount advised by actuary.

2.28 Details of Dues to Micro, Small and Medium Enterprises as defined in MSMED Act, 2006.

Information related to Micro, Small and Medium Enterprises Development Act, 2006 (the Act) is disclosed hereunder. The information given below has been determined to the extent such parties have been identified on the basis of information available with the Company.

	(Amount ₹ in Lakh)	
Particulars	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
a (i) Principal amount remaining unpaid to any supplier / service provider at the end of the accounting year	0.81	1.18
(ii) Interest due on above	-	-
Total	0.81	1.18
b. Amount of Interest paid in terms of Section 15 of the Act, along with amount of payment made beyond the appointed date during the year.	-	-
c. Amount of interest accrued and remaining unpaid at the end of the financial year.	-	-
d. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
e. 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 enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-

2.29 Capital commitment

	(Amount ₹ in Lakh)	
Capital commitment (to the extent not provided for)	As at 31-Mar-2022	As at 31-Mar-2021
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	153.00	-
Revenue commitments	163.07	-

2.30 Relationship with Struck Off Companies

The Company does not have any transactions with the struck off companies during the current financial year or previous financial year.

Notes forming part of the Financial Statements

2.31 Details of transactions in Crypto Currency

The Company has neither traded nor invested in crypto currencies or virtual currencies during the current financial year or previous financial year.

2.32 Compliance with the number of layer of companies

The Company has complied with the number of layer of companies prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

2.33 Details of Benami Property

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

2.34 Declaration regarding Wilful Defaulter

The Company is not declared as wilful defaulter by any bank or financial Institution or other lender during the current financial year or previous financial year.

2.35 Details regarding Loans and Advances

- a) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), which are either repayable on demand or without specifying any terms or period of repayment during the current financial year or previous financial year except as disclosed in note for transactions with Key Managerial Personnel
- b) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- c) No funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

2.36 Declaration regarding Borrowed funds

- a) The Company has not taken any borrowings from banks on the basis of security of Current assets during the current financial year or previous financial year.
- b) The Company has not taken any secured borrowings during the current financial year or previous financial year and accordingly there is no requirement for charge or satisfaction of charges to be registered with ROC.

2.37 Compliance with Approved scheme of Arrangements

NPCI was granted approval from RBI vide letter DPSS.CO.AD.No .S21/02.14.004/2019-20 dated 24th March 2021 for granting approval for transferring the license granted to NPCI along with all rights and obligations attached thereto with respect to BBPCU to NPCI Bharat BillPay Limited (NBBL) with effect from 1st April 2021. Subsequently, the Business Transfer Agreement (BTA) was executed on 7th May, 2021 between National Payments Corporation of India (NPCI) and NPCI Bharat BillPay Limited (NBBL). As per the Business Transfer Agreement, the total asset taken over is of ₹ 3,783.00 lakhs and the liability taken over is of ₹ 363.00 lakhs. Hence, total consideration of ₹ 34.20 Lakhs has been remitted from NBBL to NPCI on 7th May, 2021.

Notes forming part of the Financial Statements

2.38 Segment reporting

Operating segment/s are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. The Company's Chief Operating Decision Maker (CODM) is the Chief Executive Officer. The Company does not have any identified business segments.

The Financial Statements itself may be considered to be the segment result as per disclosure requirement of Indian Accounting Standard 108 issued by The Institute of Chartered Accountants of India.

2.39 COVID Impact

COVID-19, a new strain of coronavirus, has spread globally, including in India. This event significantly affects economic activities in India and abroad and, as a result, may impact the payment industry in which the Company operates. The impact of coronavirus on our business will depend on future developments that cannot be reliably predicted, including actions to contain or treat the disease and mitigate its impact on the economy, among others. The impact of pandemic might be different from that estimated as at the date of approval of these financial results and the Company is closely monitoring any material changes to future economic impact.

2.40 There are no material prior period errors which has an impact on the financial position of the Company as per IND-AS.

2.41 Previous year figures have been regrouped, reclassified, rearranged to correspond with the current year figures / presentation wherever necessary. Numbers are rounded off to the nearest lakhs.

As per our report attached

For **KPCM & Co.**

Chartered Accountants

Registration No.: 117390W

CA Chimpu Lapsiwala

Partner

Membership No: 137998

Place : Mumbai

Date : 20th May, 2022

For and on behalf of Board of Directors

Biswamohan Mahapatra

Chairman

DIN: 06990345

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Dilip Asbe

Director

DIN: 02990724

Ashish Pai

Chief Financial Officer