

# B S R & Co. LLP

Chartered Accountants

Building No.10,12th Floor, Tower-C,  
DLF Cyber City, Phase-II,  
Gurugram – 122 002, India

Telephone: +91 124 719 1000  
Fax: +91 124 235 8613

## Independent Auditor's Report

To the Board of Directors of IndiaMART InterMESH Limited

### Report on the Audit of the Condensed Standalone Interim Financial Statements

#### Opinion

We have audited the condensed standalone interim financial statements of IndiaMART InterMESH Limited (“the Company”), which comprise the condensed standalone interim balance sheet as at 31 December 2023, the condensed standalone interim statement of profit and loss (including other comprehensive income) for the quarter and year to date period then ended, the condensed standalone interim statement of changes in equity and condensed standalone interim statement of cash flows for the year-to-date period then ended and notes to the condensed standalone interim financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as “the condensed standalone interim financial statements”), as required by Indian Accounting Standard (Ind AS) 34 “Interim Financial Reporting” and other accounting principles generally accepted in India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid condensed standalone interim financial statements give a true and fair view in conformity with Ind AS 34 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2023, its profit and other comprehensive loss for the quarter and year-to-date period then ended, changes in equity and its cash flows for the year-to-date period ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (“Act”). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Condensed Standalone Interim Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the condensed standalone interim 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the condensed standalone interim financial statements.

#### Management's and Board of Directors' Responsibilities for the Condensed Standalone Interim Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these condensed standalone interim financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS 34 prescribed under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center,  
Western Express Highway, Goregaon (East), Mumbai - 400063

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

In preparing the condensed standalone interim financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Condensed Standalone Interim Financial Statements**

Our objectives are to obtain reasonable assurance about whether the condensed standalone interim 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 condensed standalone interim 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 condensed standalone interim 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, but not for the purpose of expressing opinion on whether the company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in the preparation of condensed standalone interim financial statements 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 condensed standalone interim 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.



## B S R & Co. LLP

- Evaluate the overall presentation, structure and content of the condensed standalone interim financial statements, including the disclosures, and whether the condensed standalone interim 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.

For **B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm registration No: 101248W/W-100022

*Kanika*

**Kanika Kohli**

*Partner*

Membership No: 511565

ICAI UDIN: 24511565BKFTCG9478

Place: Noida

Date: 18 January 2024

IndiaMART InterMESH Limited  
Condensed Standalone Interim Balance Sheet as at 31 December 2023  
(Amount in INR million, unless otherwise stated)


	Notes	As at 31 December 2023	As at 31 March 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	164.09	118.31
Capital work in progress	4	1.77	1.77
Right-of-use assets	5	380.69	412.60
Intangible assets	6	0.67	0.97
Investment in subsidiaries and associates	7	9,001.84	8,864.49
<b>Financial assets</b>			
(i) Investments	8	1,937.10	1,857.10
(ii) Loans	8	1.19	0.84
(iii) Other financial assets	8	42.52	40.67
Deferred tax assets (net)	26	-	19.00
Non-current tax assets (net)	18	52.70	65.49
Other non-current assets	11	2.81	0.54
<b>Total Non-current assets</b>		<b>11,585.38</b>	<b>11,381.78</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	8	18,612.75	21,519.68
(ii) Trade receivables	9	13.24	15.82
(iii) Cash and cash equivalents	10	281.78	501.09
(iv) Bank balances other than (iii) above	10	1.92	1.66
(v) Loans	8	4.03	4.36
(vi) Other financial assets	8	77.02	134.69
Current tax assets (net)	18	79.24	-
Other current assets	11	34.84	47.30
<b>Total Current assets</b>		<b>19,104.82</b>	<b>22,224.60</b>
<b>Total Assets</b>		<b>30,690.20</b>	<b>33,606.38</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	12	599.30	305.79
Other equity	13	16,135.36	20,338.31
<b>Total Equity</b>		<b>16,734.66</b>	<b>20,644.10</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	15	303.50	340.28
(ii) Other financial liabilities	15	39.09	50.50
Contract liabilities	17	4,498.10	4,152.24
Provisions	16	236.68	184.31
Deferred tax liabilities (net)	26	130.94	-
<b>Total Non-current liabilities</b>		<b>5,208.31</b>	<b>4,727.33</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	15	123.70	118.80
(ii) Trade payables	14	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		270.37	254.79
(iii) Other financial liabilities	15	260.31	218.04
Contract liabilities	17	7,792.81	7,191.74
Other current liabilities	17	212.59	349.22
Provisions	16	87.44	66.53
Current tax liabilities (net)	18	-	35.83
<b>Total Current liabilities</b>		<b>8,747.22</b>	<b>8,234.95</b>
<b>Total Liabilities</b>		<b>13,955.53</b>	<b>12,962.28</b>
<b>Total Equity and Liabilities</b>		<b>30,690.20</b>	<b>33,606.38</b>

Summary of material accounting policies 2

The accompanying notes are an integral part of the condensed standalone interim financial statements.

As per our report of even date

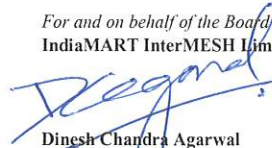
For BSR & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/ W-100022


  
**Kanika Kohli**  
Partner  
Membership No.: 511565

Place: Noida  
Date: 18 January 2024

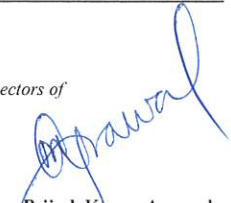


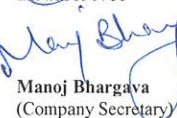
For and on behalf of the Board of Directors of  
IndiaMART InterMESH Limited

  
**Dinesh Chandra Agarwal**  
(Managing Director & CEO)  
DIN:00191840

  
**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 18 January 2024

  
**Brijesh Kumar Agrawal**  
(Whole-time Director)  
DIN:00191760

  
**Manoj Bhargava**  
(Company Secretary)

IndiaMART InterMESH Limited

Condensed Standalone Interim Statement of Profit and Loss for the quarter and nine months period ended 31 December 2023

(Amount in INR million, unless otherwise stated)

	Notes	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
<b>Income:</b>					
Revenue from operations	19	2,914.41	2,401.98	8,397.46	6,826.16
Other income	20	385.43	470.64	1,246.73	812.53
<b>Total income</b>		<b>3,299.84</b>	<b>2,872.62</b>	<b>9,644.19</b>	<b>7,638.69</b>
<b>Expenses:</b>					
Employee benefits expense	21	1,288.61	1,015.57	3,690.70	2,838.76
Finance costs	22	10.46	11.43	32.79	35.59
Depreciation and amortisation expense	23	53.11	56.15	148.74	137.39
Other expenses	24	755.62	688.27	2,272.93	2,039.33
<b>Total expenses</b>		<b>2,107.80</b>	<b>1,771.42</b>	<b>6,145.16</b>	<b>5,051.07</b>
<b>Profit before tax</b>		<b>1,192.04</b>	<b>1,101.20</b>	<b>3,499.03</b>	<b>2,587.62</b>
<b>Income tax expense</b>					
Current tax	26	231.61	225.03	650.30	646.64
Deferred tax	26	44.26	61.06	151.24	(104.87)
<b>Total tax expense</b>		<b>275.87</b>	<b>286.09</b>	<b>801.54</b>	<b>541.77</b>
<b>Net profit for the period</b>		<b>916.17</b>	<b>815.11</b>	<b>2,697.49</b>	<b>2,045.85</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Re-measurement gain/(loss) on defined benefit plans		(16.12)	18.02	(5.16)	65.84
Income tax effect	26	4.06	(4.53)	1.30	(16.57)
		(12.06)	13.49	(3.86)	49.27
<b>Other comprehensive income for the period, net of tax</b>		<b>(12.06)</b>	<b>13.49</b>	<b>(3.86)</b>	<b>49.27</b>
<b>Total comprehensive income for the period</b>		<b>904.11</b>	<b>828.60</b>	<b>2,693.63</b>	<b>2,095.12</b>
<b>Earnings per equity share:</b>					
Basic earnings per equity share (INR) - face value of INR 10 each	25	15.29	13.33	44.43	33.52
Diluted earnings per equity share (INR) - face value of INR 10 each		15.26	13.33	44.32	33.40
Summary of material accounting policies	2				

The accompanying notes are an integral part of the condensed standalone interim financial statements.

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As per our report of even date

For BSR & Co. LLP  
Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022

*Kanika*

**Kanika Kohli**  
Partner  
Membership No.: 511565

Place: Noida  
Date: 18 January 2024

For and on behalf of the Board of Directors of  
IndiaMART InterMESH Limited

*Dinesh Chandra*  
**Dinesh Chandra Agarwal**  
(Managing Director & CEO)  
DIN:00191800

*Prateek Chandra*  
**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 18 January 2024

*Brijesh Kuntar Agrawal*  
**Brijesh Kuntar Agrawal**  
(Whole-time Director)  
DIN:00191760

*Manoj Bhargava*  
**Manoj Bhargava**  
(Company Secretary)



(a) Equity share capital (Refer Note 12)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2022	305.53
Equity shares issued to Indiamart Employee Benefit Trust during the period (refer note 12(a))	2.10
Equity shares issued during the earlier year to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the period	0.12
Equity shares issued during the period and held by Indiamart Employee Benefit Trust as at period end (refer note 12(a))	(0.45)
Equity shares extinguished on buy back during the year (Refer Note 12(1))	(1.60)
<b>As at 31 December 2022</b>	<b>305.70</b>
As at 1 April 2023	305.79
Bonus issue during the period (Refer Note 12(1)) *	305.79
Equity shares extinguished on buy back during the period (Refer Note 12(2))	(12.50)
Equity shares issued during the earlier year to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the period (refer note 12(a))	0.22
<b>As at 31 December 2023</b>	<b>599.30</b>

\* Net of bonus shares of INR 0.36 issued during the period and held by Indiamart Employee Benefit trust.

(b) Other equity (Refer Note 13)

Particulars	Reserves and surplus					Total other equity
	Securities premium	General reserve	Employee share based payment reserve	Capital Redemption Reserve	Retained earnings	
Balance as at 1 April 2022	15,383.23	8.45	130.15	-	3,094.05	18,615.88
Profit for the period	-	-	-	-	2,045.85	2,045.85
Other comprehensive income for the period	-	-	-	-	49.27	49.27
<b>Total comprehensive income</b>	-	-	-	-	<b>2,095.12</b>	<b>2,095.12</b>
Employee share based payment expense (Refer Note 21)	-	-	229.44	-	-	229.44
Buy-back of equity shares *	-	-	-	-	(1,230.99)	(1,230.99)
Expenses for buy-back of equity shares	-	-	-	-	(12.78)	(12.78)
Amount transferred to capital redemption reserve upon buyback	-	-	-	1.60	(1.60)	-
Final dividend paid (INR 2/- per share for financial year ended 31 March 2022)	-	-	-	-	(61.09)	(61.09)
<b>Balance as at 31 December 2022</b>	<b>15,383.23</b>	<b>8.45</b>	<b>359.59</b>	<b>1.60</b>	<b>3,882.71</b>	<b>19,635.58</b>
Balance as at 1 April 2023	15,522.50	8.45	256.53	1.60	4,549.23	20,338.31
Profit for the period	-	-	-	-	2,697.49	2,697.49
Other comprehensive income for the period	-	-	-	-	(3.86)	(3.86)
<b>Total comprehensive income</b>	-	-	-	-	<b>2,693.63</b>	<b>2,693.63</b>
Amount utilised for bonus issue	(304.19)	-	-	(1.60)	-	(305.79)
Buy-back of equity shares (Refer Note 12(2))*	(6,149.39)	-	-	-	-	(6,149.39)
Expenses for buy-back of equity shares (Refer Note 12(2))	(36.95)	-	-	-	-	(36.95)
Amount transferred to capital redemption reserve upon buyback	(4.05)	(8.45)	-	12.50	-	-
Employee share based payment expense (Refer Note 21)	-	-	205.21	-	-	205.21
Share based payment pertaining to Subsidiaries	-	-	2.12	-	-	2.12
Final dividend paid (INR 20/- per share for financial year ended 31 March 2023)	-	-	-	-	(611.58)	(611.58)
Issue of equity shares on exercise of share based awards during the period (including bonus effect)	74.73	-	(74.93)	-	-	(0.20)
<b>Balance as at 31 December 2023</b>	<b>9,102.65</b>	<b>-</b>	<b>388.93</b>	<b>12.50</b>	<b>6,631.28</b>	<b>16,135.36</b>

\* Including tax on buyback of INR 1,161.89 (31 December 2022: INR 232.59)

Loss of INR 3.86 and profit of INR 49.27 on remeasurement of defined employee benefit plans(net of tax) is recognised as a part of retained earnings for the period ended 31 December 2023 and 31 December 2022 respectively.

The accompanying notes are an integral part of the condensed standalone interim financial statements.

As per our report of even date

For BSR & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/W-100022

*Kanika*  
Kanika Kohli  
Partner  
Membership No.: 511565

Place: Noida  
Date: 18 January 2024



For and on behalf of the Board of Directors of  
IndiaMART InterMESH Limited

*Dinesh Chandra Agarwal*  
Dinesh Chandra Agarwal  
(Managing Director & CEO)  
DIN:00191800

*Prateek Chandra*  
Prateek Chandra  
(Chief Financial Officer)

Place: Noida  
Date: 18 January 2024

*Brijesh Kumar Agrawal*  
Brijesh Kumar Agrawal  
(Whole-time Director)  
DIN:00191760

*Manoj Bhargava*  
Manoj Bhargava  
(Company Secretary)

IndiaMART InterMESH Limited  
Condensed Standalone Interim Statement of Cash Flows for the period ended 31 December 2023  
(Amount in INR million, unless otherwise stated)

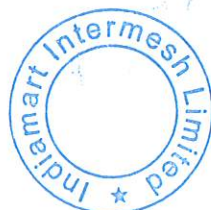
	Notes	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
<b>Cash flow from operating activities</b>			
Profit before tax for the period		3,499.03	2,587.62
<i>Adjustments for:</i>			
Depreciation and amortisation expense	23	148.74	137.39
Interest, dividend and other income	20	(7.53)	(14.64)
Gain on de-recognition of Right-of-use assets	20	(4.52)	(4.71)
Fair value gain on measurement, interest and income from sale of mutual funds, exchange traded funds, bonds, debentures, units of alternative investment funds and investment trust	20	(1,240.70)	(588.21)
Fair value loss on Investment in debt instruments of subsidiaries	20	-	22.00
Fair value gain on measurement and income from sale of Investment in other entities	20	-	(239.80)
Fair value loss on measurement of derivative contract liability	20	15.20	29.00
Net Gain on disposal of property, plant and equipment	20	(1.93)	(2.40)
Share-based payment expense	21	205.21	229.44
Finance costs	22	32.79	35.59
Liabilities and provisions no longer required written back	20	(0.51)	(1.13)
<b>Operating profit before working capital changes</b>		<b>2,645.78</b>	<b>2,190.15</b>
<b>Net Changes in:</b>			
Trade receivables		2.59	(1.85)
Other financial assets		58.68	88.33
Other assets		10.19	6.07
Other financial liabilities		15.53	(36.02)
Trade payables		15.58	85.86
Contract liabilities		946.93	841.85
Provisions and other liabilities		(68.50)	(77.31)
<b>Cash generated from operations</b>		<b>3,626.78</b>	<b>3,097.08</b>
Income tax paid (net)		(752.59)	(513.75)
<b>Net cash generated from operating activities</b>		<b>2,874.19</b>	<b>2,583.33</b>
<b>Cash flow from investing activities</b>			
Proceeds from sale of property, plant and equipment		2.27	3.63
Purchase of property, plant and equipment, other intangible assets and capital advances		(117.68)	(154.88)
Purchase of current investments		(14,893.32)	(13,543.52)
Redemption of inter-corporate deposits placed with financial institutions		-	417.35
Investment in subsidiaries, associates and other entities		(217.36)	(6,104.25)
Proceeds from sale of investments in subsidiaries, associates and other entities		-	137.31
Proceeds from sale of current investments		18,764.36	17,264.26
Interest, dividend and income from investment units		281.72	330.41
Investment in bank deposits (having original maturity of more than three months)	10	(0.26)	(2.17)
Redemption of bank deposits		-	262.48
<b>Net cash generated/(used in) from investing activities</b>		<b>3,819.73</b>	<b>(1,389.38)</b>
<b>Cash flow from financing activities</b>			
Repayment of lease liabilities		(70.35)	(59.32)
Interest paid on lease liabilities		(32.79)	(35.59)
Payment of dividends		(611.46)	(60.98)
Expenses for buy-back of equity shares		(36.95)	(12.78)
Buy-back of equity shares including tax on buyback		(6,161.89)	(1,232.59)
Proceeds from issue of equity shares on exercise		0.21	1.77
<b>Net cash used in financing activities</b>		<b>(6,913.23)</b>	<b>(1,399.49)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(219.31)</b>	<b>(205.54)</b>
Cash and cash equivalents at the beginning of the period	10	501.09	452.78
<b>Cash and cash equivalents at the end of the period</b>	10	<b>281.78</b>	<b>247.24</b>
Summary of material accounting policies	2		

The accompanying notes are an integral part of the condensed standalone interim financial statements.

As per our report of even date

For BSR & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/ W-100022  
*Kanika*  
**Kanika Kohli**  
Partner  
Membership No.: 511565

Place: Noida  
Date: 18 January 2024



For and on behalf of the Board of Directors of  
IndiaMART InterMESH Limited

*Dinesh Chandra Agarwal*  
**Dinesh Chandra Agarwal**  
(Managing Director & CEO)  
DIN:00191800

*Prateek Chandra*  
**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 18 January 2024

*Brijesh Kumar Agrawal*  
**Brijesh Kumar Agrawal**  
(Whole-time Director)  
DIN:00191760

*Manoj Bhargava*  
**Manoj Bhargava**  
(Company Secretary)

## IndiaMART Intermesh Limited

### Notes to condensed standalone interim financial statements for the period ended 31 December 2023

(Amounts in INR million, unless otherwise stated)

#### 1. Corporate Information

IndiaMART Intermesh Limited (“the Company”) is a public company domiciled in India and was incorporated on 13 September 1999 under the provisions of the Companies Act applicable in India. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India. The Company provides an online B2B marketplace for business products and services. It provides a platform to discover products and services and connect with the suppliers of such products and services. The registered office of the Company is located at 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002, India.

The condensed standalone interim financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 18 January 2024.

#### 2. Summary of Material Accounting Policies

##### (a) Statement of compliance

The condensed standalone interim financial statements for the period ended 31 December 2023 have been prepared in accordance with Indian Accounting Standard (referred to as “Ind AS”) 34, Interim Financial Reporting and other Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act, 2013 (“the Act”) (as amended from time to time). These condensed standalone interim financial statements must be read in conjunction with the standalone financial statements for the year ended 31 March 2023. They do not include all the information required for a complete set of Ind AS financial statements. However, selected explanatory notes are included to explain events and transactions that management believes are significant to an understanding of the changes in the Company’s financial position and performance since the last annual standalone financial statements.

All amounts disclosed in the condensed standalone interim financial statements have been rounded off to the nearest INR million as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated.

##### (b) Basis of Preparation

The condensed standalone interim financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities measured at fair value or amortised cost at the end of each reporting period.

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under the indirect method. The preparation of these condensed standalone interim financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company’s accounting policies. The areas where estimates are significant to the condensed standalone interim financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

##### (c) Adoption of new accounting principles

##### **Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 - Income Taxes)**

The amendments clarify that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognizing deferred tax. The Company has adopted this amendment effective 1 April 2023. The Company previously accounted for deferred tax on leases on a net basis. Following the amendments, the Company has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. The adoption did





## IndiaMART Intermesh Limited

### Notes to condensed standalone interim financial statements for the period ended 31 December 2023

(Amounts in INR million, unless otherwise stated)

not have any impact on its condensed standalone interim financial statements as balances qualify for offset under paragraph 74 of Ind AS 12. The impact for the Company relates to disclosure of the deferred tax assets and liabilities recognized, which will be disclosed as part of the annual financial statements.

### 3. Significant accounting estimates and assumptions

The preparation of condensed standalone interim financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The significant judgements made by management in applying the Company's accounting policies and key sources of estimation and uncertainty were the same as those described in the last standalone annual financial statements for the year ended 31 March 2023.

#### Measurement of fair values

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for that asset or liability.

The Company's management determines the policies and procedures for recurring fair value measurement, such as investment in debt instruments, equity instruments and preference instruments of other entities, investment in mutual funds, exchange traded funds, bonds, debentures, government securities units of investment trust measured at fair value.

The Company has an embedded derivative feature in investment in a subsidiary. Derivatives are recognised initially at fair value; attributable transaction costs are recognized in profit or loss as incurred. Fair value of the derivative is determined on inception using Monte Carlo simulation model. Subsequent to initial recognition, derivative is measured at fair value, and changes therein are accounted in profit or loss.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the condensed standalone interim financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 — Unobservable inputs for the asset or liability reflecting Company's assumptions about pricing by market participants

For assets and liabilities that are recognised in the condensed standalone interim financial statements on fair value on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.



**IndiaMART InterMESH Limited**

**Notes to Condensed Standalone Interim Financial Statements for the period ended 31 December 2023**

(Amount in INR million, unless otherwise stated)

**4 Property, plant and equipment**

	Computers	Office equipments	Furniture and fixtures	Motor vehicles	Total Property, plant and equipment	Capital work in progress (refer note 1 below)
<b>Gross carrying amount</b>						
As at 1 April 2022	108.35	46.79	4.02	3.79	162.95	1.77
Additions for the year	170.31	3.65	0.59	7.18	181.72	-
Disposals for the year	(9.19)	(2.26)	(0.58)	(3.75)	(15.78)	-
As at 31 March 2023	269.47	48.18	4.03	7.22	328.90	1.77
Additions for the period	111.52	3.90	2.26	-	117.68	-
Disposals for the period	(31.82)	(0.56)	(0.09)	-	(32.47)	-
As at 31 December 2023	349.17	51.52	6.20	7.22	414.11	1.77
<b>Accumulated depreciation</b>						
As at 1 April 2022	85.59	40.89	3.26	2.94	132.68	-
Charge for the year	86.86	3.13	0.27	1.99	92.25	-
Disposals during the year	(8.82)	(2.08)	(0.50)	(2.94)	(14.35)	-
As at 31 March 2023	163.63	41.94	3.03	1.99	210.59	-
Charge for the period	67.17	2.74	0.42	1.23	71.56	-
Disposals during the period	(31.51)	(0.54)	(0.08)	-	(32.13)	-
As at 31 December 2023	199.29	44.14	3.37	3.22	250.02	-
<b>Net carrying value</b>						
As at 1 April 2022	22.76	5.90	0.76	0.85	30.27	1.77
As at 31 March 2023	105.84	6.24	1.00	5.23	118.31	1.77
As at 31 December 2023	149.88	7.38	2.83	4.00	164.09	1.77

**Notes:**

1. Capital work in progress represents the amount incurred on construction of boundary wall for leasehold land, the project has been temporarily suspended as the Company is in process of evaluating the construction plan and also in the process of planning for construction on leasehold land (refer note 5 for details related to leasehold land).



## 5 Right-of-use assets

	Leasehold land (Refer Note 1 below)	Buildings	Total
<b>Gross carrying amount</b>			
As at 1 April 2022	37.12	834.60	871.72
Additions for the year	-	30.04	30.04
Disposals for the year (Refer Note 2 below)	-	(75.79)	(75.79)
As at 31 March 2023	37.12	788.85	825.97
Additions for the period	-	88.78	88.78
Disposals for the period	-	(55.18)	(55.18)
As at 31 December 2023	37.12	822.45	859.57
<b>Accumulated depreciation</b>			
As at 1 April 2022	2.76	340.53	343.29
Depreciation for the year	0.46	99.31	99.77
Disposals for the year (Refer Note 2 below)	-	(29.69)	(29.69)
As at 31 March 2023	3.22	410.15	413.37
Depreciation for the period	0.35	76.53	76.88
Disposals for the period	-	(11.37)	(11.37)
As at 31 December 2023	3.57	475.31	478.88
<b>Net carrying value</b>			
As at 1 April 2022	34.36	494.07	528.43
As at 31 March 2023	33.90	378.70	412.60
As at 31 December 2023	33.55	347.14	380.69

## Notes:

1. As per the terms of the lease arrangement, the Company was required to complete the construction of building within a defined time from the date of handing over the possession. The Company had obtained extension for construction of building on the leasehold land till 5 July 2021. The project has been temporarily suspended as the Company is in the process of evaluating the construction plan and is also in the process of planning to seek further extension for construction on the leasehold land.

2. Disposal includes adjustment on account of lease modifications.



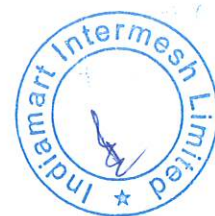
IndiaMART InterMESH Limited

Notes to Condensed Standalone Interim Financial Statements for the period ended 31 December 2023

(Amount in INR million, unless otherwise stated)

6 Intangible assets

	Software	Unique telephone numbers	Total
<b>Gross carrying amount</b>			
As at 1 April 2022	13.73	4.70	18.43
As at 31 March 2023	13.73	4.70	18.43
As at 31 December 2023	13.73	4.70	18.43
<b>Accumulated amortisation</b>			
As at 1 April 2022	12.31	4.49	16.80
Amortisation for the year	0.57	0.09	0.66
As at 31 March 2023	12.88	4.58	17.46
Amortisation for the period	0.26	0.04	0.30
As at 31 December 2023	13.14	4.62	17.76
<b>Net carrying value</b>			
As at 1 April 2022	1.42	0.21	1.63
As at 31 March 2023	0.85	0.12	0.97
As at 31 December 2023	0.59	0.08	0.67



7 Investment in subsidiaries and associates

	As at 31 December 2023		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Investment in subsidiaries - Unquoted</b>				
<i>Fully paid up - at cost</i>				
<b>Investment in Tradezeal Online Private Limited (Refer note (i) below)</b>				
Equity shares of INR 10 each	1,10,000	1.10	1,10,000	1.10
Compulsorily Convertible Debentures of INR 100 each	93,25,000	932.50	93,25,000	932.50
Less: Impairment allowance		(1.10)		(1.10)
		932.50		932.50
<b>Investment in Tolexo Online Private Limited</b>				
Equity shares of INR 10 each	70,01,800	70.02	70,01,800	70.02
Less: Impairment allowance		(70.02)		(70.02)
		-		-
<b>Investment in Pay With Indiamart Private Limited</b>				
Equity shares of INR 10 each	1,00,000	1.00	1,00,000	1.00
		1.00		1.00
<b>Investment in Hello Trade Online Private Limited</b>				
Equity shares of INR 10 each	60,000	0.60	60,000	0.60
Less: Impairment allowance		(0.30)	30,000	(0.30)
		0.30		0.30
<b>Investment in Busy Infotech Private Limited</b>				
Equity shares of INR 10 each	45,000	5,000.00	45,000	5,000.00
		5,000.00		5,000.00
<b>Investment in Livekeeping Technologies Private Limited</b>				
Compulsorily Convertible Preference Shares of INR 10 each (at premium of INR 51,138 each)	6,843	350.01	6,843	350.01
Equity shares of INR 10 each (at premium of INR 51,138 each)	2,147	109.81	2,147	109.81
Contractual investment rights		50.50		50.50
Less: Impairment allowance		(52.61)		(52.61)
		457.71		457.71
		<u>6,391.51</u>		<u>6,391.51</u>
<b>Investment in associates - Unquoted</b>				
<i>Fully paid up - at cost</i>				
<b>Investment in Simply Vyapar Apps Private Limited (Refer note (ii) below)</b>				
Compulsory convertible preference shares of INR 100 each (at premium of INR 52,217.90 each)	5954	311.50	5,954	311.50
Bonus shares received on above Compulsory convertible preference shares	1,13,126	-	-	-
Equity shares of INR 10 each (at premium of INR 52,307.90 each)	10	0.52	10	0.52
Bonus shares received on above Equity shares	190	-	-	-
Compulsory convertible preference shares of INR 100 each (at premium of INR 2,90,261 each)	1,809	525.26	1,809	525.26
Bonus shares received on above Compulsory convertible preference shares	34,371	-	-	-
Equity shares of INR 10 each (at premium of INR 2,03,242 each)	444	90.24	444	90.24
Bonus shares received on above Equity shares	8,436	-	-	-
Equity shares of INR 10 each (at premium of INR 2,90,351 each)	137	39.78	137	39.78
Bonus shares received on above Equity shares	2,603	-	-	-
		967.30		967.30
<b>Investment in Mobisy Technologies Private Limited</b>				
Compulsory convertible preference shares of INR 1 each (at premium of INR 776 each)	1,28,593	99.92	1,28,593	99.92
Equity shares of INR 1 each (at premium of INR 776 each)	100	0.07	100	0.07
Compulsory convertible preference shares of INR 1 each (at premium of INR 836 each)	1,19,474	100.00	1,19,474	100.00
Compulsory convertible preference shares of INR 1 each (at premium of INR 1,222 each)	1,05,607	129.20	1,05,607	129.20
Equity shares of INR 1 each (at premium of INR 837 each)	17,750	14.86	17,750	14.86
Equity shares of INR 1 each (at premium of INR 1,222/- each)	17,963	21.98	17,963	21.98
Fair value gain recognised through profit and loss till the date entity has become an associate	-	97.87	-	97.87
		463.90		463.90
<b>Investment in Ten Times Online Private Limited</b>				
Equity shares of INR 10 each (at premium of INR 40 each)	-	-	18,701	0.93
Sale of Equity shares of INR 10 each (INR 64.7024)	-	-	18,701	(1.21)
Gain on sale of Investment during the year	-	-	-	0.28
		-		-
<b>Investment in IB Monotaro Private Limited</b>				
Equity shares of INR 10 each (at premium of INR 1,274.15 each)	8,11,250	1,041.77	8,11,250	1,041.77
Investment in Equity shares of INR 10 each (at premium of INR 1,275.24/- each) (Refer note (iii) below)	1,06,876	137.36		
		1,179.13		-
		<u>2,610.33</u>		<u>2,472.97</u>
<b>Total Investment in subsidiaries and associates</b>		<u>9,001.84</u>		<u>8,864.49</u>
<b>Aggregate carrying value of unquoted investments</b>		9,001.84		8,864.49
<b>Aggregate impairment in value of investments</b>		124.03		124.03

Notes:

- The instrument is classified as equity as it meets the 'fixed for fixed' evaluation criteria. Further, the interest on the instrument is payable at the discretion of Tradezeal Online Private Limited.
- During the period ended 31 December 2023, the Company has received bonus shares from Simply Vyapar Private Limited in the ratio of 1:19 (i.e. 19 Bonus shares for every 1 existing share).
- During the period ended 31 December 2023, the Company has further invested INR 137.36 into the equity shares of IB Monotaro Private Limited as a part of right issue resulting in increase of its equity ownership on fully converted and diluted basis to 26.70% from 26.00%.



8 Financial assets

	As at 31 December 2023	As at 31 March 2023
<b>i) Investments</b>		
<b>Non-current</b>		
a) Investment in subsidiaries at FVTPL	115.50	115.50
b) Investment in other entities at FVTPL	1,661.60	1,661.60
c) Investment in debt instruments of associates Unquoted (measured at FVTPL)	160.00	80.00
	<u>1,937.10</u>	<u>1,857.10</u>
<b>Current</b>		
Investment in mutual funds and exchange traded funds at FVTPL	12,587.03	10,784.53
Investment in bonds and debentures at FVTPL	4,542.00	10,250.96
Investments in Investment Trust- Quoted (measured at FVTPL)	-	484.19
Investment in Government Securities- Quoted (measured at FVTPL)	1,483.72	-
	<u>18,612.75</u>	<u>21,519.68</u>

**Non-current investments**

**a) Investment in debt instruments of subsidiaries (fully paid-up)**

	As at 31 December 2023		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
<i>Unquoted (measured at FVTPL)</i>				
<b>Investment in Tolexo Online Private Limited</b>				
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (Refer note (i) below)	2,09,89,275		2,09,89,275	
Opening balance	-		20.71	
Fair value loss recognised through profit and loss during the year	-		(20.71)	
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 90 each) (Refer note (i) below)	12,98,050	-	12,98,050	1.13
Fair value loss recognised through profit and loss during the year	-		-	(1.13)
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 40 each) (Refer note (i) below)	1,89,000	-	1,89,000	0.16
Fair value loss recognised through profit and loss during the year	-		-	(0.16)
<b>Investment in Tradezeal Online Private Limited</b>				
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (Refer note (i) below)	78,70,000	60.00	78,70,000	60.00
<b>Investment in Pay With Indiamart Private Limited</b>				
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 10 each) (Refer note (i) below)	27,75,000	55.50	27,75,000	55.50
		<u>115.50</u>		<u>115.50</u>

**b) Investment in other entities (fully paid up)**

*Unquoted (measured at FVTPL)*

**Investment in Mynd Solutions Private Limited**

Equity shares of INR 10 each (at premium of INR 87.21 each)	24,74,637	240.56	33,36,489	324.34
Sale of equity shares of Mynd Solutions Private Limited	-	-	(8,61,852)	(83.78)
Compulsory convertible preference shares of INR 10 each INR (at premium of INR 149.32 each)	15,10,656	240.68	15,10,656	240.68
Fair value gain recognised through profit and loss till date	-	96.12	-	96.12

**Investment in Zimyo consulting Private Limited**

Compulsory convertible preference shares of INR 10 each (at premium of INR 86306.32/- each)	1,870	161.41	1,870	161.41
Equity shares of INR 10 each (at premium of INR 86,306.32/- each)	100	8.63	100	8.63

**Investment in Fleetx Technologies Private Limited**

Compulsory convertible preference shares of INR 10 each (at premium of INR 67,420/- each)	10,323	696.08	10,323	696.08
Equity shares of INR 10 each (at premium of INR 57,315/- each)	3,805	218.12	3,805	218.12
		<u>914.20</u>		<u>914.20</u>
		<u>1,661.60</u>		<u>1,661.60</u>

**c) Investment in debt instruments of associates**

**Unquoted (measured at FVTPL)**

**Investment in Mobisy Technologies Private Limited**

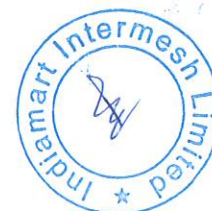
Investment in Compulsory convertible Debentures of INR 1,000/- each in Mobisy Technologies Private Limited			80,000	80.00
Opening	80,000	80.00		
Addition during the period (Refer Note (iii) below)	80,000	80.00	-	80.00

**Total non-current investments (a+b+c)**

1,937.10 1,857.10

**Notes:**

- i). The Company has invested in optionally convertible cumulative redeemable preference shares ('OCCRPS') of its subsidiaries. Based on the terms of OCCRPS, these have been classified as financial instruments in the nature of financial assets to be measured at fair value. Fair value of these instruments has been determined based on market multiples / replacement cost method / discounted cash flow valuation technique using cash flow projections and discount rate. Gain/loss on subsequent re-measurement is recognised through Statement of Profit and Loss.
- ii). The Company has investment in compulsory convertible preference shares and equity shares of other entities, based on the terms of these instruments they are being measured at fair value through profit and loss.
- iii). During the period ended 31 December 2023, the Company has further invested INR 80 in Compulsory Convertible Debentures of Mobisy Technologies Private Limited.



	As at 31 December 2023		As at 31 March 2023	
	No. of units	Amount	No. of units	Amount
<b>Current investments</b>				
<i>Investment in mutual funds and exchange traded funds - Quoted (measured at FVTPL)</i>				
Aditya Birla Sun Life Corporate Bond Fund	1,16,44,141	1,175.97	1,16,44,141	1,113.24
Aditya Birla Sun Life Money Manager Fund - Direct	13,736	4.59	-	-
Aditya Birla Sun Life Liquid Fund	-	-	2,500	0.91
Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund	3,91,18,998	430.57	3,91,18,998	409.46
Axis Corporate Debt Fund	87,77,620	138.86	87,77,620	131.42
Bharat Bond ETF April-2023	-	-	4,00,000	491.63
Bharat Bond ETF April-2025	8,20,419	963.37	3,79,992	423.31
Edelweiss NIFTY PSU Bond Plus SDL Apr 2026 50:50 Index Fund	4,74,76,047	552.84	4,74,76,047	525.57
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Apr 2037 Index Fund	4,77,54,473	529.72	4,77,54,473	500.05
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April2023	1,21,83,232	135.14	-	-
HDFC Low Duration Fund	1,54,29,585	857.30	1,54,29,585	810.37
HDFC Corporate Bond Fund	47,38,647	138.40	47,38,647	130.88
ICICI Prudential Savings Fund	14,43,254	706.22	14,43,254	667.64
ICICI Prudential Money Market Fund	1,558	0.53	-	-
ICICI Prudential Corporate Bond Fund	2,06,88,321	570.45	2,06,88,321	538.47
ICICI Prudential Nifty SDL Dec 2028 Index Fund	4,82,19,177	531.27	4,82,19,177	502.67
Kotak Corporate Bond Fund	2,16,768	749.78	2,16,768	710.18
Kotak Equity Arbitrage Fund	1,27,97,082	455.24	15,80,642	53.03
Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund	4,48,35,182	488.40	4,48,35,182	464.84
Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund	9,46,02,577	1,046.94	9,46,02,577	990.38
Kotak Low Duration Fund	212	0.69	-	-
Nippon India Dynamic Bond Fund	2,49,40,628	868.24	2,49,40,628	822.49
Nippon India Corporate Bond Fund	4,189	0.23	-	-
Nippon India Nivesh Lakshya Fund	1,93,81,965	304.97	-	-
SBI Nifty 50 ETF	5,35,000	121.40	14,50,000	260.41
SBI S&P BSE Sensex ETF	6,48,000	506.37	6,48,000	408.88
SBI Nifty Index Fund	5,02,335	99.50	5,02,335	78.85
SBI Magnum Constant Maturity Fund	91,91,798	529.52	91,91,798	500.27
SBI Arbitrage Opportunities Fund	90,47,893	289.92	-	-
Tata Arbitrage Fund	29,95,342	40.23	-	-
UTI Nifty 50 ETF	13,50,000	315.35	1,35,000	249.57
UTI Overnight Fund	10,862	35.02	-	-
<b>Total</b>		<b>12,587.03</b>		<b>10,784.53</b>
<i>Investment in bonds and debentures- Quoted (measured at FVTPL)</i>				
Bank of Baroda Perpetual Bond	10	101.12	10	102.85
Bajaj Finance Bond	-	-	200	197.48
Canara Bank Perpetual Bond	30	315.17	30	304.85
Export Import Bank of India Bond	-	-	200	196.16
HDFC Bank Perpetual Bond	20	202.82	20	205.59
HDFC Bank Bond	500	508.05	800	802.57
India Infradebt Ltd Bond	100	103.41	100	99.02
IRFC Ltd Bond	-	-	250	255.18
ICICI Home Finance Company Ltd MLD	-	-	150	153.98
ICICI Bank Infra Bond	-	-	100	103.29
Kotak Mahindra Investment Ltd Zero Coupon Bond	200	195.16	200	184.23
Tata Cleantech MLD	-	-	200	203.95
LIC Housing Finance Bond	-	-	1,000	1,020.54
Mahindra & Mahindra Finance Zero Coupon Bond	200	179.79	200	169.78
NABARD Bond	900	907.13	1,750	1,732.86
Piramal Enterprises MLD	-	-	180	197.46
Punjab National Bank Perpetual Bond	10	107.98	10	100.83
Power Grid Corporation of India Limited Bond	-	-	55	71.84
Power Finance Corporation Ltd - Bond	1,008	112.75	558	577.90
REC Bond	-	-	998	1,042.77
State Bank of India Perpetual Bond	100	1,005.62	210	1,141.85
State Bank of India Tier-II Bond	500	489.69	500	490.53
Shriram Transport MLD	-	-	100	114.30
SIDBI Bond	150	152.93	650	629.46
Union Bank of India Perpetual Bond	15	160.38	15	151.69
<b>Total</b>		<b>4,542.00</b>		<b>10,250.96</b>
<i>Investments in Investment Trust- Quoted (measured at FVTPL)</i>				
Powergrid InvIT	-	-	39,51,962	484.19
<b>Total</b>				<b>484.19</b>
<i>Investment in Government Securities- Quoted (measured at FVTPL)</i>				
7.18% Government of India 2033	45,00,000	462.29	-	-
7.18% Government of India 2037	1,00,00,000	1,021.43	-	-
<b>Total</b>		<b>1,483.72</b>		
Aggregate book value of quoted investments		<b>18,612.75</b>		<b>21,519.68</b>
Aggregate market value of quoted investments		<b>18,612.75</b>		<b>21,519.68</b>
Aggregate carrying value of unquoted investments		<b>1,937.10</b>		<b>1,857.10</b>



	As at 31 December 2023	As at 31 March 2023
<b>ii) Loans (measured at amortised cost)</b>		
<b>Non current</b>		
Considered good- Unsecured	1.19	0.84
Loans to employees*	<u>1.19</u>	<u>0.84</u>
<b>Current</b>		
Considered good- Unsecured	4.03	4.36
Loans to employees*	<u>4.03</u>	<u>4.36</u>
Notes:		
*Represent interest free loans to employees, which are generally recoverable within 24 monthly installments.		
<b>iii) Others (measured at amortised cost)</b>		
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Security deposits	42.52	40.67
	<u>42.52</u>	<u>40.67</u>
<b>Current (unsecured, considered good unless stated otherwise)</b>		
Security deposits	18.66	5.51
Amount recoverable from payment gateway	56.24	126.03
Other receivables *	2.12	3.15
	<u>77.02</u>	<u>134.69</u>
Notes:		
Security deposits are non-interest bearing and are generally on term of 3 to 9 years.		
* Refer Note 30 for outstanding balances pertaining to related parties.		
<b>9 Trade receivables</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Trade receivables	12.07	13.82
Receivables from related parties (Refer note 30)	1.17	2.00
<b>Total</b>	<u>13.24</u>	<u>15.82</u>
Notes:		
a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.		
b) For terms and conditions relating to related party receivables, Refer Note 30.		
c) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.		
<b>10 Cash and bank balances</b>		
<b>a) Cash and cash equivalents</b>		
Cheques on hand	24.86	237.90
Balance with bank	256.92	263.19
- On current accounts	<u>281.78</u>	<u>501.09</u>
<b>Total Cash and cash equivalents</b>		
Note:		
Cash and cash equivalents for the purpose of cash flow statement comprise cash and cash equivalents as shown above.		
<b>b) Bank balances other than cash and cash equivalents</b>		
- Earmarked balances with banks*	1.92	1.66
<b>Amount disclosed under current bank deposits</b>	<u>1.92</u>	<u>1.66</u>
* Earmarked balances includes below items :-		
-Unclaimed/Unpaid dividend	0.23	0.13
-Bank balance with Indiamart Employee Benefit Trust	1.68	1.53
-FDR's on lien - Others	0.01	-
<b>11 Other assets</b>		
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Prepaid expenses	2.81	0.54
<b>Total</b>	<u>2.81</u>	<u>0.54</u>
<b>Current (unsecured, considered good unless stated otherwise)</b>		
Advances recoverable	4.42	8.84
Indirect taxes recoverable	7.84	12.37
Prepaid expenses	22.58	26.06
Others	-	0.03
<b>Total</b>	<u>34.84</u>	<u>47.30</u>





## 12 Share capital

<u>Authorised equity share capital (INR 10 per share)</u>	Number of shares	Amount
As at 1 April 2022	9,94,42,460	994.42
As at 31 March 2023	9,94,42,460	994.42
As at 31 December 2023	9,94,42,460	994.42
<u>Authorised 0.01% cumulative preference share capital (INR 328 per share)</u>	Number of shares	Amount
As at 1 April 2022	3	0.00
As at 31 March 2023	3	0.00
As at 31 December 2023	3	0.00
<u>Issued equity share capital (subscribed and fully paid up) (INR 10 per share)</u>	Number of shares	Amount
As at 1 April 2022	3,05,52,990	305.53
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note (a) below)	2,10,000	2.10
Equity shares issued during the earlier period to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR/ESOP exercised during the year (refer note (a) below)	11,584	0.12
Equity shares issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note (a) below)	(35,353)	(0.36)
Equity shares extinguished on buy back during the year	(1,60,000)	(1.60)
As at 31 March 2023	3,05,79,221	305.79
Bonus issue during the period (refer note 1 below)	3,05,79,221	305.79
Equity shares extinguished on buy back during the period (refer note 2 below)	(12,50,000)	(12.50)
Equity shares issued during the earlier period to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR/ESOP exercised during the period (refer note (a) below)	21,882	0.22
As at 31 December 2023	5,99,30,324	599.30

### Notes:

- During the period ended 31 December 2023, the Company has issued and allotted 30,579,221 fully paid up Bonus Equity shares (net off 35,353 bonus shares issued and held by Indiamart Employee Benefit trust) of Rs.10 each on 22 June 2023 in the ratio of 1:1 (i.e. 1 Bonus Equity shares for every 1 existing equity share of the Company) to the shareholders who held shares on 21 June 2023 i.e. Record date.
- The Board of Directors at its meeting held on 20 July 2023, approved a proposal to buy-back upto 12,50,000 equity shares of the Company for an aggregate amount not exceeding INR 5,000, being 2.04% of the total paid up equity share capital at 4,000 per equity share. A Letter of Offer was made to all eligible shareholders. The Company bought back 12,50,000 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares on 25 September 2023. Capital redemption reserve was created to the extent of share capital extinguished of INR 12.50. The buyback results in a cash outflow of INR 6,198.84 (including transaction costs of INR 36.95 and tax on buyback of INR 1,161.89). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013.

### a) Shares held by Indiamart employee benefit trust against employees share based payment plans (face value: INR 10 each)

	As at 31 December 2023		As at 31 March 2023	
	Number	Amount	Number	Amount
Opening balance	35,353	0.36	11,584	0.12
Purchased during the period/year	-	-	2,10,000	2.10
Bonus issued during the period/year	35,353	0.36	-	-
Transfer to employees pursuant to SAR/ESOP exercised	(21,882)	(0.22)	(1,86,231)	(1.86)
<b>Closing Balance</b>	<b>48,824</b>	<b>0.50</b>	<b>35,353</b>	<b>0.36</b>

## 13 Other equity

	As at 31 December 2023	As at 31 March 2023
Securities premium	9,102.65	15,522.50
Capital redemption reserve	12.50	1.60
General reserve	-	8.45
Employee share based payment reserve	388.93	256.53
Retained earnings	6,631.28	4,549.23
<b>Total other equity</b>	<b>16,135.36</b>	<b>20,338.31</b>

### Nature and purpose of reserves and surplus:

- Securities premium:** The Securities premium account is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.
- Capital redemption reserve:** The Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.
- General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.
- Employee share based payment reserve:** The Employee share based payment reserve is used to recognise the compensation related to share based awards issued to employees under Company's Share based payment scheme.
- Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company, and re-measurement gains/losses on defined benefit plans.



14 Trade payables*	As at 31 December 2023	As at 31 March 2023
Payable to micro, small and medium enterprises**	-	-
Other trade payables		
- Outstanding dues to others	2.54	0.15
Accrued expenses	267.83	254.64
<b>Total</b>	<b>270.37</b>	<b>254.79</b>

\* Refer note 30 for outstanding balances pertaining to related parties.

\*\* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

15 Lease and other financial liabilities	As at 31 December 2023	As at 31 March 2023
<b>Lease liabilities</b>		
Non current	303.50	340.28
Current	123.70	118.80
<b>Total</b>	<b>427.20</b>	<b>459.08</b>
<b>Other financial liabilities</b>		
<b>Non-current</b>		
Derivative contract liability*	39.09	50.50
<b>Total</b>	<b>39.09</b>	<b>50.50</b>
<b>Current</b>		
Payable to employees	225.03	208.69
Security deposits	-	0.78
Derivative contract liability*	26.61	-
Other payable**	8.67	8.57
<b>Total</b>	<b>260.31</b>	<b>218.04</b>

\* This pertains to the liability on account of embedded derivative as per the shareholders agreement of Livekeeping Technologies Private Limited.

\*\*Includes unclaimed/unpaid dividend of INR 0.23 (31 March 2023: INR 0.13).

16 Provisions	As at 31 December 2023	As at 31 March 2023
<b>Non-current</b>		
Provision for employee benefits (Refer Note 27)		
Provision for gratuity	107.20	91.64
Provision for Leave encashment	129.48	92.67
<b>Total</b>	<b>236.68</b>	<b>184.31</b>
<b>Current</b>		
Provision for employee benefits (Refer Note 27)		
Provision for gratuity	35.32	30.58
Provision for leave encashment	36.74	20.57
Provision-others*	15.38	15.38
<b>Total</b>	<b>87.44</b>	<b>66.53</b>

\* Contingency provision towards indirect taxes. There is no change in this provision during the period ended 31 December 2023.

17 Contract and other liabilities	As at 31 December 2023	As at 31 March 2023
<b>Contract liabilities*</b>		
<b>Non-current</b>		
Deferred revenue	4,498.10	4,152.24
<b>Total</b>	<b>4,498.10</b>	<b>4,152.24</b>
<b>Current</b>		
Deferred revenue	7,422.83	6,558.67
Advances from customers	369.98	633.07
<b>Total</b>	<b>7,792.81</b>	<b>7,191.74</b>
<b>Total</b>	<b>12,290.91</b>	<b>11,343.98</b>
<b>Other liabilities-Current</b>		
Statutory dues		
Tax deducted at source payable	47.91	50.62
GST payable	150.80	287.41
Others	13.88	11.19
<b>Total</b>	<b>212.59</b>	<b>349.22</b>

\* Contract liabilities include consideration received in advance to render web services in future periods. Refer Note 30 for outstanding balances pertaining to related parties.

18 Income tax assets (net)	As at 31 December 2023	As at 31 March 2023
<b>Income tax assets and liabilities (net of provisions)</b>		
<b>Non current</b>		
Income tax assets	1,607.57	1,681.21
Less: Provision for income tax	(1,554.87)	(1,615.72)
<b>Total non current tax assets (net)</b>	<b>52.70</b>	<b>65.49</b>
<b>Current</b>		
Income tax assets	729.54	884.08
Less : Provision for income tax	(650.30)	(919.91)
<b>Total current tax assets/(liabilities) (net)</b>	<b>79.24</b>	<b>(35.83)</b>



## 19 Revenue from operations

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
<b>Sale of services</b>				
Income from web services	2,883.42	2,355.87	8,305.01	6,676.68
Advertisement and marketing services	30.99	46.11	92.45	149.48
<b>Total</b>	<b>2,914.41</b>	<b>2,401.98</b>	<b>8,397.46</b>	<b>6,826.16</b>

Changes in the contract liability balances during the period are as follows:

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Opening balance at the beginning of the period	12,049.53	9,577.59	11,343.98	9,065.97
Less: Revenue recognised from contract liability balance at the beginning of the period	(2,435.50)	(1,940.04)	(5,333.99)	(4,328.80)
Add: Amount received from customers during the period	3,155.79	2,732.21	9,344.39	7,668.01
Less: Revenue recognised from amounts received during the period	(478.91)	(461.94)	(3,063.47)	(2,497.36)
<b>Closing balance at the end of the period</b>	<b>12,290.91</b>	<b>9,907.82</b>	<b>12,290.91</b>	<b>9,907.82</b>

## 20 Other income

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Fair value gain/(loss) on measurement and income from sale of financial assets				
-Fair value gain/(loss) (net) on measurement, interest and income from sale of mutual funds, exchange traded funds, bonds, debentures, units of alternative investment funds and investment trust	383.23	323.71	1,240.70	588.21
-Fair value loss on measurement of derivative contract liability	(4.80)	(20.50)	(15.20)	(29.00)
Interest income from financial assets measured at amortised cost				
- on bank deposits	0.06	0.15	1.19	3.11
- on corporate deposits and loans	-	-	-	1.73
- on security deposits	0.76	0.67	2.23	2.23
Dividend Income	-	2.41	4.11	7.58
Gain on de-recognition of Right-of-use assets	2.25	1.68	4.52	4.71
Liabilities and provisions no longer required written back	0.06	0.36	0.51	1.13
Net gain on disposal of property, plant and equipment	1.76	0.60	1.93	2.40
Miscellaneous income	2.11	2.34	6.74	6.72
<b>Total</b>	<b>385.43</b>	<b>470.64</b>	<b>1,246.73</b>	<b>812.53</b>

## 21 Employee benefits expense

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Salaries, allowance and bonus	1,140.00	889.10	3,277.98	2,478.71
Gratuity expense	24.10	19.75	56.14	49.74
Leave encashment expense	24.77	14.83	61.07	34.27
Contribution to provident and other funds	17.68	12.71	50.74	32.91
Employee share based payment expense	66.47	72.33	205.21	229.44
Staff welfare expenses	15.59	6.85	39.56	13.69
<b>Total</b>	<b>1,288.61</b>	<b>1,015.57</b>	<b>3,690.70</b>	<b>2,838.76</b>

## 22 Finance costs

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Interest cost of lease liabilities	10.46	11.43	32.79	35.59
<b>Total</b>	<b>10.46</b>	<b>11.43</b>	<b>32.79</b>	<b>35.59</b>

## 23 Depreciation and amortisation expense

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Depreciation of property, plant and equipment (Refer Note 4)	27.15	30.85	71.56	60.79
Depreciation of Right-of-use assets (Refer Note 5)	25.86	25.13	76.88	76.10
Amortisation of intangible assets (Refer Note 6)	0.10	0.17	0.30	0.50
<b>Total</b>	<b>53.11</b>	<b>56.15</b>	<b>148.74</b>	<b>137.39</b>



**IndiaMART InterMESH Limited**
**Notes to Condensed Standalone Interim Financial Statements for the period ended 31 December 2023**

(Amount in INR million, unless otherwise stated)

24 Other expenses	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Content development expenses	76.64	76.93	219.33	209.05
Buyer Engagement Expenses	30.44	31.68	91.79	100.60
Customer Support Expenses	64.74	51.54	198.71	147.86
Outsourced sales cost	345.59	318.27	1,079.00	961.70
Internet and other online expenses	124.91	117.97	372.64	336.76
Rates and taxes	1.82	0.38	6.67	2.22
Outsourced support cost	4.09	4.65	11.77	12.69
Advertisement expenses	4.36	4.34	13.19	10.49
Power and fuel	4.28	3.57	13.69	10.94
Repair and maintenance:				
- Plant and machinery	3.31	1.96	7.34	4.97
- Others	15.15	11.20	41.13	26.86
Travelling and conveyance	9.01	7.24	31.15	21.98
Recruitment and training expenses	7.67	5.54	21.40	20.62
Legal and professional fees	7.50	11.23	25.16	62.74
Directors' sitting fees	1.50	1.10	5.40	3.41
Auditor's remuneration	1.84	1.60	5.41	4.95
Insurance expenses	17.39	10.57	44.25	31.87
Collection charges	7.61	7.19	22.36	20.48
Corporate social responsibility activities expenses	15.82	13.43	30.69	32.66
Rent	11.06	5.90	28.36	12.91
Miscellaneous expenses	0.89	1.98	3.49	3.57
<b>Total</b>	<b>755.62</b>	<b>688.27</b>	<b>2,272.93</b>	<b>2,039.33</b>

**25 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the earnings for the period attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS are calculated by dividing the earnings for the period attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The following reflects the basic and diluted EPS computations:

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
<b>Basic</b>				
Net profit as per the statement of profit and loss for computation of EPS (A)	916.17	815.11	2,697.49	2,045.85
Weighted average number of equity shares used in calculating basic EPS (B)	5,99,17,761	6,11,25,936	6,07,16,435	6,10,38,508
Basic earnings per equity share (A/B)	15.29	13.33	44.43	33.52
<b>Diluted</b>				
Weighted average number of equity shares used in calculating basic EPS*	5,99,17,761	6,11,25,936	6,07,16,435	6,10,38,508
Potential equity shares*	1,34,067	27,396	1,46,148	2,20,900
Total no. of shares outstanding (including dilution) (C)	6,00,51,828	6,11,53,332	6,08,62,583	6,12,59,408
Weighted average number of equity shares in calculating diluted EPS				
Diluted earnings per equity share (A/C)	15.26	13.33	44.32	33.40

There are potential equity shares for the period 31 December 2023 and 31 December 2022 in the form of share based awards granted to employees which have been considered in the calculation of diluted earning per share.

\*Previous period numbers are adjusted for bonus shares issued during the current period.



26 Income tax

a) Income tax expense/(income) recognised in Statement of profit and loss

Particulars	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
<b>Current tax expense</b>				
Current tax for the period	231.61	225.03	650.30	646.64
	<u>231.61</u>	<u>225.03</u>	<u>650.30</u>	<u>646.64</u>
<b>Deferred tax expense/(benefit)</b>				
Relating to origination and reversal of temporary differences	44.26	61.06	151.24	(104.87)
	<u>44.26</u>	<u>61.06</u>	<u>151.24</u>	<u>(104.87)</u>
<b>Total income tax expense</b>	<u>275.87</u>	<u>286.09</u>	<u>801.54</u>	<u>541.77</u>

The effective tax rate has been increased to 22.91% for the period ended 31 December 2023 from 20.94% for the period ended 31 December 2022, primarily on account of long term capital gain realised on sale of mutual funds units and investments taxed at lower rate in the previous period.

b) Income tax recognised in other comprehensive income/(loss) (OCI)

Deferred tax related to items recognised in OCI during the period

Particulars	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Net gain/(loss) on remeasurements of defined benefit plans	(4.06)	4.53	(1.30)	16.57

c) Reconciliation of Deferred tax assets/(liabilities) (Net):

Particulars	As at 31 December 2023	As at 31 March 2023
Opening balance as of 1 April	19.00	(156.42)
Tax (expense)/ benefit during the period recognised in Statement of profit and loss	(151.24)	188.80
Tax impact during the period recognised in OCI	1.30	(13.38)
<b>Closing balance at the end of the period</b>	<u>(130.94)</u>	<u>19.00</u>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

27 Defined benefit plan and other long-term employee benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed statutory defined period of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with insurance company in form of qualifying insurance policy. This defined benefit plan exposes the Company to actuarial risks, such as longevity risk, interest rate risk and salary risk.

The amount included in the balance sheet arising from the Company's obligation in respect of its gratuity plan and leave encashment is as follows:

Gratuity - defined benefit plan

	As at 31 December 2023	As at 31 March 2023
Present value of defined benefit obligation	398.74	332.44
Fair value of plan assets	(256.22)	(210.22)
<b>Net liability arising from defined benefit obligation</b>	<u>142.52</u>	<u>122.22</u>

Leave encashment - other long-term employee benefit plan

	As at 31 December 2023	As at 31 March 2023
Present value of other long-term employee benefit	166.22	113.24
<b>Net liability arising from other long-term employee benefit</b>	<u>166.22</u>	<u>113.24</u>



28 Fair value measurements

a) Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the Company's financial instruments are as follows:

	Level	As at 31 December 2023	As at 31 March 2023
<b>Financial assets</b>			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds, exchange traded funds and Government securities (Refer Note b(iii) below)			
	Level 1	14,070.76	10,784.53
	Level 1	-	484.19
	Level 2	4,542.00	10,250.96
- Investment in debt instruments of subsidiaries and equity/preference instruments of other entities (Refer Note b(iv) below)			
	Level 3	1,777.10	1,777.10
- Investment in debt instruments of associates at FVTPL (Refer Note b(vii) below)			
	Level 3	160.00	80.00
		<u>20,549.86</u>	<u>23,376.78</u>
b) Measured at amortised cost (Refer Note b(i) and (ii) below)			
- Trade receivables			
		13.24	15.82
- Cash and cash equivalents			
		281.78	501.09
- Loans to employees			
		5.22	5.21
- Security deposits			
		61.18	46.18
- Deposits with Banks			
		1.92	1.66
- Other financial assets			
		58.36	129.18
		<u>421.70</u>	<u>699.14</u>
<b>Total (a+b)</b>		<u><b>20,971.56</b></u>	<u><b>24,075.92</b></u>
<b>Financial liabilities</b>			
a) Measured at fair value through profit or loss (FVTPL)			
- Other financial liabilities (Refer Note b(vi) below)			
	Level 3	65.70	50.50
		<u>65.70</u>	<u>50.50</u>
b) Measured at amortised cost (Refer Note b(i) and (ii) below)			
- Trade payables			
		270.37	254.79
- Security deposits			
		-	0.78
- Other financial liabilities			
		233.70	217.26
- Lease liabilities			
		427.20	459.08
<b>Total</b>		<u>931.27</u>	<u>931.91</u>
		<u><b>996.97</b></u>	<u><b>982.41</b></u>

b) The following methods / assumptions were used to estimate the fair values:

- The carrying value of Deposits with Banks, trade receivables, cash and cash equivalents, loans to employees, trade payables, security deposits, lease liabilities and other financial assets and other financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments. These have been assessed basis counterparty credit risk.
- The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used do not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.
- Fair value of quoted mutual funds, exchange traded funds, investment trust and government securities is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.
- Fair value of debt instruments of subsidiaries, equity/preference instruments of other entities is estimated based on replacement cost method / discounted cash flows / market multiple valuation technique using cash flow projections, discount rate and credit risk and are classified as Level 3.
- Fair value of the quoted bonds and debentures is determined using observable market's inputs and is classified as Level 2.
- Fair value of derivative contract liability is determined using Monte Carlo Simulation method and is classified as Level 3.
- Fair value of debt instruments of associates is estimated based on replacement cost method / discounted cash flows / market multiple valuation technique using cash flow projections, discount rate and credit risk and are classified as Level 3.



c) Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of 31 March 2023 :

Financial assets	Valuation technique(s)	Significant Unobservable input	Inter-relationship between significant unobservable input and fair value measurement
<b>Investment in debt instruments of subsidiaries and equity/preference instruments of other entities</b>			
Pay With Indiamart Private Limited and Tradezeal Online Private Limited	Market multiple approach	Market multiples (Comparable Companies)	The estimated fair value of investment in subsidiaries and other entities will Increase/ (decrease) if the Market multiple is higher/ (lower)
Zimyo Consulting Private Limited, Fleetx Technologies Private Limited and Mynd Solutions Private Limited	Market multiple approach and discounted cash flow approach	i) Discount rate ii) Revenue growth rate iii) Market multiples (Comparable Companies)	The estimated fair value of investment in other entities will Increase/ (decrease) if the revenue growth rate and Market multiple is higher/ (lower). The estimated fair value of investment in other entities will Increase/ (decrease) if the Discount Rate is (lower)/higher.
Tolexo Online Private Limited	Replacement cost method	Replacement cost	NA
<b>Financial Liability</b>			
Derivative contractual Liability	Valuation technique Monte Carlo Simulation method	Significant Unobservable input i) Discount rate ii) Revenue growth rate iii) Market multiples (Comparable Companies)	Inter-relationship between significant unobservable input and fair value measurement The estimated fair value of derivative contract liability will Increase/ (decrease) if the Discount Rate, revenue growth rate and Market multiple is higher/ (lower). The estimated fair value of derivative contract liability will Increase/ (decrease) if the Discount Rate is (lower)/higher.

For the period ended 31 December 2023, there is no material change in the significant unobservable inputs and sensitivity from the period ended 31 March 2023 for investment made in other entities, and \* debt instruments of subsidiaries.

d) Reconciliation of level 3 fair value measurements

	<b>Investment in Optionally Convertible Cumulative Redeemable Preference instruments of subsidiaries</b>			
	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Opening balance	115.50	137.50	115.50	137.50
Gain/(loss) recognised in profit or loss	-	(22.00)	-	(22.00)
Closing balance	115.50	115.50	115.50	115.50
	<b>Investment in equity/preference instruments of other entities/investment in debt instruments of associates</b>			
	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Opening balance	1,795.13	1,695.64	1,795.13	1,631.15
Gain recognised in profit or loss	-	175.31	-	239.80
Additions	80.00	240.68	80.00	240.68
Disposals/Extinguishment	-	(137.31)	-	(137.31)
Change in status of investment to Associate	-	(312.72)	-	(312.72)
Closing balance	1,875.13	1,661.60	1,875.13	1,661.60
	<b>Derivative contract Liability</b>			
	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Opening balance	60.90	59.00	50.50	-
Additions	-	-	-	50.50
Loss recognised in profit or loss	4.80	20.50	15.20	29.00
Closing balance	65.70	79.50	65.70	79.50

e) During the period ended 31 December 2023 and 31 December 2022, there were no transfers due to re-classification into and out of Level 3 fair value measurements.



29 Segment information

As per Ind AS 108 "Operating Segments", the Company has disclosed the segment information only as part of consolidated financial statements.

30 Related party transactions

i) Names of related parties and related party relationship:

a) Entity's subsidiaries & associates	Subsidiaries	Hello Trade Online Private Limited Tradezeal Online Private Limited Tolexo Online Private Limited Pay With Indiamart Private Limited Busy Infotech Private Limited (with effect from 06 April 2022) Livekeeping Technologies Private Limited (Formerly known as Finlite Technologies Private Limited) (with effect from 23 May 2022) Livekeeping Private Limited (Subsidiary of Livekeeping Technologies Private Limited, with effect from 23 May 2022)
	Associates	Simply Vyapar Apps Private Limited Ten Times Online Private Limited (ceased to be an associate with effect from 16 March 2023) IB Monotaro Private Limited Mobisy Technologies Private Limited (with effect from 03 November 2022)

b) Key Management Personnel (KMP)

Name	Designation
Dinesh Chandra Agarwal	Managing Director & CEO
Brijesh Kumar Agrawal	Whole time director
Prateek Chandra	Chief financial officer
Manoj Bhargava	Company Secretary
Dhruv Prakash	Non-executive director
Rajesh Sawhney	Independent director
Elizabeth Lucy Chapman	Independent director (Resigned with effect from 07 October 2022)
Vivek Narayan Gour	Independent director
Pallavi Dinodia Gupta	Independent director (Appointed with effect from 20 October 2022)
Aakash Chaudhry	Independent director (Appointed with effect from 20 July 2023)

c) Relatives of Key Management Personnel (KMPs)\*

Bharat Agarwal  
Chetna Agarwal  
Gunjan Agarwal  
Anand Kumar Agrawal  
Meena Agrawal  
Pankaj Agrawal  
Naresh Chandra Agrawal  
Prakash Chandra Agrawal  
Shravani Prakash  
Anjani Prakash  
Megha Bhargava  
Sphuriti Gupta

d) Entities where Key Management Personnel (KMP) exercise significant influence\*

Mansa Enterprises Private Limited  
Mynd Solutions Private Limited  
S R Dinodia & Co LLP  
Dinesh Chandra Agarwal HUF  
Nanpara Family Trust  
Nanpara Business Trust  
Hamirvasia Business Trust  
Hamirvasia Family Trust  
National Engineering Industries Limited

e) Other related parties

Indiamart Employee Benefit Trust (administered Trust to manage employees share based payment plans of the Company)  
Indiamart InterMesh Employees Group Gratuity Assurance Scheme (administered Trust to manage post employment defined benefits of employees of the Company)

\*With whom the Company had transactions during the reporting period.

ii) Key management personnel compensation

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
Short-term employee benefits	43.09	39.17	129.35	115.53
Post-employment benefits	0.09	0.02	0.26	0.02
Other long-term employee benefits	0.68	0.52	3.47	1.67
Employee share based payment	7.48	3.90	21.84	12.08
	<b>51.34</b>	<b>43.61</b>	<b>154.92</b>	<b>129.29</b>





30 Related party transactions (Cont'd)

The following table provides the total amount of transactions that have been entered into with the related parties for the relevant financial period:

Particulars	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
<b>Entities where KMP exercise Significant influence</b>				
<u>Rent &amp; related miscellaneous expenses</u>				
Mansa Enterprises Private Limited	1.52	0.60	4.03	1.72
<u>Tax consultancy and litigation support service</u>				
S R Dinodia & Co LLP	0.18	-	1.15	-
<b>KMP and relatives of KMP's</b>				
<u>Recruitment and training expenses</u>				
Key management personnel	0.75	0.75	2.25	1.50
<u>Bonus share issued (Face Value 10/- each)</u>				
Key management personnel	-	-	145.54	-
Relatives of Key Management Personnel	-	-	5.72	-
Entities where Key Management Personnel exercise significant influence	-	-	0.60	-
<u>Dividend paid</u>				
Key management personnel	-	29.06	291.09	17.18
Relatives of Key Management Personnel	-	1.13	11.45	11.64
Entities where Key Management Personnel exercise significant influence	-	0.12	1.21	0.23
<u>Remuneration</u>				
Relatives of Key Management Personnel	0.34	-	0.34	-
Director's sitting fees	1.50	1.10	5.40	3.41
<u>Other services availed</u>				
Relatives of Key Management Personnel	0.28	-	0.84	-
<b>Subsidiaries and Associates</b>				
<u>Investment in subsidiaries</u>				
Tradezeal Online Private Limited	-	-	-	212.50
Busy Infotech Private Limited	-	-	-	5,000.00
Livekeeping Technologies Private Limited*	-	-	-	510.32
<u>Investment in associates</u>				
Simply Vyapar Apps Private Limited	-	-	-	39.78
Mobisy Technologies Private Limited	80.00	-	80.00	-
IB Monotaro Private Limited	-	-	137.36	-
<u>Bonus Shares Received</u>				
-Equity Shares Capital (Face value 10/- each)	-	-	0.11	-
-Compulsory convertible preference shares (Face value 100/- each)	-	-	14.75	-
<u>Web, advertisement &amp; marketing services provided to</u>				
Pay With Indiamart Private Limited	1.68	1.17	4.63	3.21
Simply Vyapar Apps Private Limited	2.32	5.26	5.58	12.66
IB Monotaro Private Limited	0.35	0.11	1.05	0.11
Livekeeping Technologies Private Limited	0.04	0.03	0.13	0.08
Busy Infotech Private Limited	0.04	0.04	0.10	0.11
Mynd Solutions Private Limited	-	-	5.00	-
National Engineering Industries Limited	0.01	-	0.01	-
<u>Indemnification payments</u>				
Pay With Indiamart Private Limited	0.11	0.02	0.51	0.38
<u>Customer support services availed from</u>				
Pay With Indiamart Private Limited	0.68	0.41	2.12	1.31
<u>Miscellaneous services provided to</u>				
Simply Vyapar Apps Private Limited	-	-	-	0.43
Livekeeping Technologies Private Limited	1.81	0.35	4.89	0.69
Pay With Indiamart Private Limited	0.30	0.25	0.87	0.48
<u>Internet and online services availed from</u>				
Ten Times Online Pvt. Ltd	-	-	-	0.05
<u>Marketing services availed from</u>				
IB Monotaro Private Limited	0.08	-	0.08	-
<u>Purchase of Fixed Assets</u>				
IB Monotaro Private Limited	-	-	0.01	-
<u>Share Based payment pertains to subsidiary</u>				
Busy Infotech Private Limited	0.67	-	2.13	-
<u>Indiamart Employee Benefit Trust</u>				
Share capital issued	-	-	-	2.10
Bonus share capital issued	-	-	0.35	-
Dividend paid	-	-	0.71	0.15

Terms and conditions of transactions with related parties

The transactions with related parties are entered on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.



30 Related party transactions (Cont'd)

The following table discloses the balances with related

Balance Outstanding at the period end	As at 31 December 2023	As at 31 March 2023
<b>Subsidiary companies</b>		
<u>Investment in debt instruments of subsidiaries (Measured at FVTPL)</u>		
Tolexo Online Private Limited	-	-
Tradezeal Online Private Limited	60.00	60.00
Pay With Indiamart Private Limited	55.50	55.50
<u>Investment in equity instruments and debentures of subsidiaries (At cost)*</u>		
Tolexo Online Private Limited	70.02	70.02
Tradezeal Online Private Limited	933.60	933.60
Hello Trade Online Private Limited	0.60	0.60
Pay With Indiamart Private Limited	1.00	1.00
Busy Infotech Private Limited	5,000.00	5,000.00
Livekeeping Technologies Private Limited*	510.32	510.32
<b>Associates</b>		
<u>Investment in equity instruments in associates (at cost)</u>		
Simply Vyapar Apps Private Limited	967.30	967.30
IB Monotaro Private Limited	1,179.13	1,041.77
Mobisy Technologies Private Limited	463.90	463.90
<u>Investment in debt instruments in associates (at FVTPL)</u>		
Mobisy Technologies Private Limited	160.00	80.00
<u>Trade receivables</u>		
Simply Vyapar Apps Private Limited	1.17	2.00
<u>Other Receivable</u>		
Busy Infotech Private Limited	2.12	3.15
<u>Trade Payable (including accrued expenses)</u>		
S R Dinodia & Co LLP	0.53	-
Mansa Enterprises Private Limited	0.34	-
Key management personnel	0.25	-
<u>Contract Liabilities</u>		
Simply Vyapar Apps Private Limited	0.23	2.53
Livekeeping Technologies Private Limited	0.18	0.12
Busy Infotech Private Limited	0.19	0.30
IB Monotaro Private Limited	4.05	1.10
National Engineering Industries Limited	-**	-
<u>Investment in Entities where KMP and Individuals exercise Significant influence (at FVTPL)</u>		
Mynd Solutions Private Limited	577.36	577.36

\* Includes Contractual investment rights of INR 50.50 in Livekeeping technologies private limited.

\*\* Amount is less than 0.01.



31 The Company has provided following function wise results of operations on a voluntary basis

The management has presented the below function wise results because it also monitors its performance in the manner explained below and it believes that this information is relevant to understanding the Company's financial performance. The basis of calculation is also mentioned for reference.

	For the quarter ended 31 December 2023	For the quarter ended 31 December 2022	For the nine months ended 31 December 2023	For the nine months ended 31 December 2022
A Revenue from operations	2,914.41	2,401.98	8,397.46	6,826.16
B Customer service cost	(793.66)	(600.81)	(2,256.64)	(1,651.69)
C Surplus over customer service cost (A-B)	2,120.75	1,801.17	6,140.82	5,174.47
Selling & Distribution Expenses	510.15	454.69	1,548.37	1,353.41
Technology & Content Expenses	505.95	449.61	1,475.19	1,277.09
Marketing Expenses	14.55	11.31	40.23	29.91
Depreciation and amortisation	53.11	56.15	148.74	137.39
Other Operating Expenses	219.92	187.42	643.21	565.99
D Total	1,303.68	1,159.18	3,855.74	3,363.79
E Operating profit (C-D)	817.07	641.99	2,285.08	1,810.68
Finance costs	(10.46)	(11.43)	(32.79)	(35.59)
Other income	385.43	470.64	1,246.73	812.53
F Total	374.97	459.21	1,213.94	776.94
G Profit before tax (E+F)	1,192.04	1,101.20	3,499.03	2,587.62
Tax expense	275.87	286.09	801.54	541.77
Profit for the period	916.17	815.11	2,697.49	2,045.85

Below is the basis of classification of various function wise expenses mentioned above:

*Customer service cost*

Customer service cost primarily consists of employee benefits expense (included on "Employee benefit expense" in Note 21) for employees involved in servicing of our clients; website content charges (included in "Content development expenses" in Note 24); Outsourced service cost i.e. cost of outsourced activities towards servicing of our clients (included in "Customer Support Expenses" in Note 24); PNS charges i.e. rental for premium number service provided to our paying suppliers (included in "Buyer Engagement Expenses" in Note 24); SMS & Email charges i.e. cost of notifications sent to paying suppliers through SMS or email (included in "Buyer Engagement Expenses" in Note 24); Buy Lead Verification & Enrichment i.e. costs incurred in connection with the verification of RFQs posted by registered buyers on Indiamart and provided to our paying suppliers as a part of our subscription packages (included in "Customer Support Expenses" in Note 24); other expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance, Insurance cost allocated based on employee count; collection charges; domain registration & renewal charges (included in "Internet and other online expenses" in Note 24) for serving our clients.

*Selling & Distribution Expenses*

Selling & Distribution Expenses primarily consists of Outsourced sales cost i.e. costs incurred towards acquisition of new paying suppliers through our outsourced sales team and Channel partners; employee benefits expense for employees involved in acquisition of new paying suppliers; other expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance and Insurance cost allocated based on employee count.

*Technology & Content Expenses*

Technology and content expenses include employee benefits expense for employees involved in the research and development of new and existing products and services, development, design, and maintenance of our website and mobile application, curation and display of products and services made available on our websites, and digital infrastructure costs: Data Verification & Enrichment i.e. amount paid to third parties to maintain and enhance our database (included in "Content development expenses" in Note 24); PNS charges i.e. rental for premium number service provided to our free suppliers (included in "Buyer Engagement Expenses" in Note 24); SMS & Email charges i.e. cost of notifications sent to buyers and free suppliers through SMS or email (included in "Buyer Engagement Expenses" in Note 24); Buy Lead Verification & Enrichment i.e. costs incurred in connection with the verification of RFQs posted by registered buyers on Indiamart and provided to our free suppliers (included in "Customer Support Expenses" in Note 24); other expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance and Insurance cost allocated based on employee count; Complaint Handling (1-800) Exp. (included in "Customer Support Expenses" in Note 24); Server Exp. (Web Space for Hosting), Software Expenses, Server Exp. (Google Emails-Employees) & Website Support & Maintenance (included in "Internet and other online expenses" in Note 24).

*Marketing Expenses*

While most of our branding and marketing is done by our sales representatives through meetings with potential customers (included in Selling & Distribution Expenses), our branding is aided by our spending on marketing, such as targeted digital marketing, search engine advertisements and offline advertising, and we also engage in advertising campaigns from time to time through television and print media. Employee benefits expense for employees involved in marketing activities are also included in marketing expenses.

*Other Operating Expenses*

Other operating expenses primarily include employee benefits expense for our support function employees; expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance and Insurance cost allocated basis employee count; browsing & connectivity-branch & employees (included in "Internet and other online expenses" in Note 24); telephone expenses-branch & employees (included in "Communication Costs" in Note 24); recruitment and training expenses; legal and professional fees ; Corporate Social Responsibility expenses and other miscellaneous operating expenses.



### 32 Contingent liabilities and commitments

#### a) Contingent liabilities

	As at 31 December 2023	As at 31 March 2023
Service tax/ GST demand (refer note (1) below)	15.38	15.38

1) Pursuant to the service tax audit for the financial year 2013-14 to 2017-18 (i.e. upto 30 June 2017), a demand has been raised on non-payment of service tax under rule 6(3) of CCR, 2004 on "Net gain on sale of current investments" of INR 15.38. The Company has already recorded the provision for the said amount in the books of accounts in the financial year 2019-20. The Company was contesting the aforesaid mentioned demand against commissioner (Appeals). During the current year, the order has been received rejecting the appeal and imposing 100% penalty of INR 15.38. The Company has filed the appeal before Tribunal against the order, and the management believes that the Company's position in the matter will be tenable.

2. On February 28, 2019, a judgment of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers altered historical understandings of such obligations, extending them to cover additional portions of the employee's income. However, the judgment isn't explicit if such interpretation may have retrospective application resulting in increased contribution for past and future years for certain employees of the Company. The Company, based on an internal assessment, evaluated that there are numerous interpretative challenges on the retrospective application of the judgment which results in impracticability in estimation of and timing of payment and amount involved. As a result of lack of implementation guidance and interpretative challenges involved, the Company is unable to reliably estimate the amount involved. Accordingly, the Company shall evaluate the amount of provision, if any, on further clarity of the above matter.

3. The Company is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Company believes that the amount or estimable range of reasonably possible loss with respect to loss contingencies for legal and other contingencies, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results or cash flows of the Company as at 31 December 2023.

4. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be notified. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are notified.

#### b) Capital and other commitments

- As at 31 December 2023, the Company has INR Nil capital commitment (31 March 2023: NIL).
- The Company will provide financial support to its wholly owned subsidiaries, so as to meet their liabilities as and when the same is required.

### 33 Events after the reporting period

- a) The Company has evaluated all the subsequent events through 18 January 2024, which is the date on which these condensed standalone interim financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the condensed standalone interim financial statements.

As per our report of even date

For BSR & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/ W-100022

  
Kanika Kohli  
Partner  
Membership No.: 511565


Place: Noida  
Date: 18 January 2024


For and on behalf of the Board of Directors of  
IndiaMART InterMESH Limited

  
Dinesh Chandra Agarwal  
(Managing Director & CEO)  
DIN:00191800

  
Prateek Chandra  
(Chief Financial Officer)

Place: Noida  
Date: 18 January 2024

  
Brijesh Kumar Agrawal  
(Whole-time Director)  
DIN:00191766

  
Manoj Bhargava  
(Company Secretary)

