



**PANKAJ PRITI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of **Pay with Indiamart Private Limited**

**Opinion**

We have audited the accompanying Ind AS financial statements of **Pay With Indiamart Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss, including other comprehensive income, Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principle specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2024.
- (b) in the case of the Statement of Profit and Loss including other comprehensive income, of the profit for the period ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date; and
- (d) In the case of the Statement of Changes in Equity, of the changes in equity for the period ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended at March 31, 2024. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue recognition (as described in Note 2.2(d) and Note 14 of the Ind AS financial statements)</b>	
<p>Total turnover for the period ended at March 31, 2024 amounted to Rs.42137 thousands. The Company generates revenue primarily from services in relation to facilitation of electronics payment through internet based solution, financial intermediation, including advisory and consultancy services for internet based payments.</p> <p>Revenue from services is at the fare value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government</p> <p>The service are delivered using IT system which manages very high volume on daily basis and generates reports from which Company recognizes revenue, and hence there is inherent risk around the completeness and accuracy of the revenue recognition. Given the involvement of high volume, IT systems and inherent risk involved as described above, we determined the revenue recognition as key audit matter of the audit.</p> <p>The Company's disclosures are included in Note 2.2(d) and Note 14 to the financial statement, which outlines the accounting policy for revenue and details of revenue.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>· We read the Company's revenue recognition accounting policies and assessed compliance of policies with applicable financial reporting standards.</li><li>· We obtained an understanding of the revenue recognition process and tested controls around revenue recognition.</li><li>· We involved IT specialist, to obtain an understanding, evaluate the design, and test the operating effectiveness of the IT controls related to the revenue recognition process.</li><li>· We tested the IT general controls (including access controls, change management control and other IT general controls.), the relevant application controls and tested the reports generated by the system.</li><li>· We selected a sample of transactions and performed tests of details including reading the contract, identifying performance obligation etc., and assessed whether the criteria for revenue recognition is met.</li><li>· We also obtained and tested overall reconciliation of revenue and collection as generated from IT systems with accounting system.</li></ul>

## **Other Information**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the 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 an opinion on the effectiveness of the Company's.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial period ended at March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. (A) As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial
  - g) Based on our examination test check, the company has used accounting software for maintaining its books of accounts which has a feature of recording Audit Trail (edit log) facility except that for

the accounting software, the Audit Trail was enabled from 30 June 2023 for data changes performed by user having privileged access for accounting software for which audit trail feature is enabled, the Audit Trail facility has been operating throughout the Year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our Audit.

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :

- a) The Company has no pending litigations as at 31 March 2024 that can affect its financial position in its financial statements.
- b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material mis-statement.
- (e) During the year, the company did not declared or paid any dividend.


(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the Matters specified in paragraphs 3 and 4 of the order.

**For Pankaj Priti & Associates**  
Chartered Accountants  
Firm's Registration No. 016461N

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**Pankaj Jain** (Partner)  
Membership No. 095412

Place: Delhi  
Date: 25 April 2024  
UDIN: 24095412BKFMAJ4079

**Annexure A to the Independent Auditor's Report to the Members of Pay With Indiamart Private Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting **Pay With Indiamart Private Limited** ("the Company") as of at March 31,2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by The Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

**For Pankaj Priti & Associates**  
Chartered Accountants  
Firm's Registration No. 016461N

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**Pankaj Jain** (Partner)  
Membership No. 095412

**UDIN:** 24095412BKFMAJ4079

Place: Delhi

Date: 25 April 2024



**Annexure B to the Independent Auditor's Report to the Members of Pay With Indiamart Private Limited Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on Other Legal and Regulatory Requirements' section.**

- i. The Company has no Fixed Assets, hence clause 3(i)(a) to (e) of the order is not applicable to the company.
- ii. (a) In our opinion and according to the information and explanations given to us, the Company is not having any physical inventory. Accordingly, clause 3(ii)(a) of the Order is not applicable.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) The company has not granted any loans, or provided advances in the nature of loans, or stood Guarantee, or provided security to any other entity.  
  
(b) The Investments made, guarantees provided, security given and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.  
  
(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.  
  
(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.  
  
(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii. a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable  
  
b) There are no dues in respect of income tax, sales tax, service tax, duty of customs, duty of excise and value

added tax that have not been deposited with the appropriate authorities on account of any dispute.

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.  
  
(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.  
  
(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.  
  
(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates (as defined under the Companies Act, 2013)  
  
(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Companies Act, 2013 ("the Act"))
- x. (a) In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and Company has not raised any term loans. Accordingly, provisions of clause 3(x)(a) of the Order are not applicable on the Company.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xi. (a) In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year that causes the Ind AS financial statements materially misstated.  
  
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
  
(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian Accounting Standards.
- xiv. In our opinion, and according to the information and explanations given to us, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the companies act 2013.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

- xvi. (a) The company is not required to be registered under section 45-IA of the Reserve bank of India act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The company is not required to be registered under section 45-IA of the Reserve bank of India act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The company is not a Core Investment company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The company has not incurred any cash losses in the current financial year and immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditor during the year. Accordingly, clause 3(viii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In respect of other than ongoing projects, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act as company is not required to comply with the provisions of section 135 of companies act 2013.
- xxi. Pay with Indiamart private limited is a subsidiary company of IndiaMart Intermesh limited and it does not have any subsidiary under it. It is not required to prepare consolidated financial statement. Hence, provisions of this clause are not applicable.

**For Pankaj Priti & Associates**  
Chartered Accountants  
Firm's Registration No. 016461N

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**Pankaj Jain (Partner)**  
Membership No. 095412  
**UDIN: 24095412BKFMJ4079**  
Place: Delhi  
Date: 25 April 2024

Pay With Indiamart Private Limited

Balance Sheet as at 31 March 2024

(Amounts in INR "Thousands" , unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
<b>Assets</b>			
Non-current tax assets (net)	13	99	87
<b>Total non-current assets</b>		<b>99</b>	<b>87</b>
<b>Current assets</b>			
Financial assets			
(i) Investments	4	15,448	14,308
(ii) Cash and cash equivalents	5	17,975	19,824
(iii) Others financial assets	6	23,209	15,910
Other current assets	7	4	530
<b>Total current assets</b>		<b>56,636</b>	<b>50,572</b>
<b>Total assets</b>		<b>56,735</b>	<b>50,659</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	8	1,000	1,000
Other equity	8	4,657	5,029
<b>Total equity</b>		<b>5,657</b>	<b>6,029</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	9	50,254	44,059
<b>Total non-current liabilities</b>		<b>50,254</b>	<b>44,059</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Trade payables	10		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small		145	176
(ii) Other financial liabilities	11	458	336
Other current liabilities	12	221	59
<b>Total current liabilities</b>		<b>824</b>	<b>571</b>
<b>Total liabilities</b>		<b>51,078</b>	<b>44,630</b>
<b>Total equity and liabilities</b>		<b>56,735</b>	<b>50,659</b>
Summary of material accounting policies	2		

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

As per our report of even date

For Pankaj Priti & Associates

Chartered Accountants

ICAI Firm Registration No. 016461N

PANKAJ  
KUMAR JAIN

Pankaj Jain

Partner

Membership No.: 095412

Place: New Delhi

Date: 25-Apr-2024

For and on behalf of the Board of Directors

Pay With Indiamart Private Limited

CIN : U74999DL2017PTC312424

PRAVEEN  
KUMAR  
GOEL

Praveen Kumar Goel

(Director)

DIN- 03604600

Place: Noida

Date: 25-Apr-2024

SHRAWAN  
KUMAR  
SHARMA

Shrawan Kumar Sharma

(Director)

DIN- 07043379

Place: Noida

Date: 25-Apr-2024

Pay With Indiamart Private Limited  
Statement of Profit and Loss for the year ended 31 March 2024  
(Amounts in INR "Thousands" , unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Income:</b>			
Revenue from operations	14	42,137	28,789
Other income	15	1,187	1,002
<b>Total income</b>		<b>43,324</b>	<b>29,791</b>
<b>Expenses:</b>			
Finance costs	16	6,195	5,431
Other expenses	17	37,501	25,512
<b>Total expenses</b>		<b>43,696</b>	<b>30,943</b>
<b>Loss before tax</b>		<b>(372)</b>	<b>(1,152)</b>
<b>Income tax expense</b>			
Current tax	19	-	-
Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Loss for the year</b>		<b>(372)</b>	<b>(1,152)</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive Loss for the year</b>		<b>(372)</b>	<b>(1,152)</b>
<b>Earnings per equity share:</b>			
Basic loss per equity share	18	(3.72)	(11.52)
Diluted loss per equity share		(3.72)	(11.52)
Summary of material accounting policies	2		

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

As per our report of even date

For Pankaj Priti & Associates  
Chartered Accountants  
ICAI Firm Registration No. 016461N

PANKAJ  
KUMAR JAIN

Pankaj Jain  
Partner  
Membership No.: 095412

Place: New Delhi  
Date: 25-Apr-2024

For and on behalf of the Board of Directors  
Pay With Indiamart Private Limited  
CIN : U74999DL2017PTC312424

PRAVEEN  
KUMAR GOEL

Praveen Kumar Goel  
(Director)  
DIN- 03604600

Place: Noida  
Date: 25-Apr-2024

SHRAWAN  
KUMAR  
SHARMA

Shrawan Kumar Sharma  
(Director)  
DIN- 07043379

Place: Noida  
Date: 25-Apr-2024

Pay With Indiamart Private Limited  
Statement of changes in equity for the year ended 31 March 2024  
(Amounts in INR "Thousands" , unless otherwise stated)

(a) Equity share capital (refer note 8)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 01 April 2022	1,000
Changes in equity share capital during the year	-
As at 31 March 2023	1,000
As at 01 April 2023	1,000
Changes in equity share capital during the year	-
As at 31 March 2024	1,000

(b) Other equity (refer note 8)

Particulars	Equity portion of OCCRPS (refer note 9)	Retained Earning	Total
As at 01 April 2022	29,209	(23,028)	6,181
Loss for the year	-	(1,152)	(1,152)
Total comprehensive income	-	(1,152)	(1,152)
As at 31 March 2023	29,209	(24,180)	5,029
Loss for the year	-	(372)	(372)
Total comprehensive income	-	(372)	(372)
As at 31 March 2024	29,209	(24,552)	4,657

Summary of material accounting policies 2

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

For Pankaj Priti & Associates  
Chartered Accountants  
ICAI Firm Registration No. 016461N

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KUMAR  
JAIN

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PANKAJ KUMAR JAIN  
Date: 2024.04.25  
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Pankaj Jain  
Partner  
Membership No.: 095412

Place: New Delhi  
Date: 25-Apr-2024

For and on behalf of the Board of Directors  
Pay With Indiamart Private Limited  
CIN : U74999DL2017PTC312424

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GOEL  
Date: 2024.04.25  
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Praveen Kumar Goel  
(Director)  
DIN- 03604600

Place: Noida  
Date: 25-Apr-2024

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Date: 2024.04.25  
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Shrawan Kumar Sharma  
(Director)  
DIN- 07043379

Place: Noida  
Date: 25-Apr-2024

Pay With Indiamart Private Limited

Statement of Cash Flows for the period ended 31 March 2024

(Amounts in INR "Thousands" , unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Loss before tax for the year	(372)	(1,152)
Adjustments for:		
Interest expense	6,195	5,431
Fair value gain on financial assets measured at fair value through profit and loss	(1,140)	(772)
Operating Profit before working capital changes	4,683	3,507
Net Changes in:		
Other financial assets	(7,299)	(4,218)
Other current assets	526	781
Other liabilities	162	21
Other financial liabilities	122	(1,169)
Trade and other payables	(31)	71
Cash used from operations	(1,837)	(1,007)
Direct taxes refund	(12)	(35)
Net cash used in operating activities	(1,849)	(1,042)
Net cash generated from investing activities	-	-
Net cash generated from financing activities	-	-
Net decrease in cash and cash equivalents	(1,849)	(1,042)
Cash and cash equivalents at the beginning of the year	19,824	20,866
Cash and cash equivalents at the end of the year (note 5)	17,975	19,824
Summary of material accounting policies		

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

As per our report of even date

For Pankaj Priti & Associates

Chartered Accountants

ICAI Firm Registration No. 016461N

PANKAJ  
KUMAR JAIN

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Date: 2024.04.25  
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Pankaj Jain

Partner

Membership No.: 095412

Place: New Delhi

Date: 25-Apr-2024

For and on behalf of the Board of Directors

Pay With Indiamart Private Limited

CIN : U74999DL2017PTC312424

PRAVEEN  
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Date: 2024.04.25  
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Praveen Kumar Goel

(Director)

DIN- 03604600

Place: Noida

Date: 25-Apr-2024

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SHARMA

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KUMAR SHARMA  
Date: 2024.04.25  
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Shrawan Kumar Sharma

(Director)

DIN- 07043379

Place: Noida

Date: 25-Apr-2024

**PAY WITH INDIAMART PRIVATE LIMITED**  
**Notes to financial statements for the year ended 31 March 2024**  
(Amounts in INR "Thousands", unless otherwise stated)

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**1. Corporate Information**

Pay With IndiaMart Private Limited ("the Company") is a public company domiciled in India and was incorporated on February 07, 2017 under the provisions of the Companies Act applicable in India. The company provides services in relation to facilitation of electronics payment through internet-based solution, financial intermediation, including advisory and consultancy services for internet based payment. The registered office of the Company is located at 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 25 April 2024.

**2. Material accounting policies**

**2.1 Basis of preparation**

The financial statements have been prepared on the historical cost basis as explained in the accounting policies below, except certain financial assets and liabilities measured at fair value where the Ind AS requires a different accounting treatment (refer accounting policy regarding financial instruments).

The preparation of these 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 financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

**2.2 Statement of Compliance**

The financial statements for the year ended 31 March 2024 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") 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).

All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR thousand as per the requirement of Schedule III, unless otherwise stated.

**2.3 Summary of material accounting policies**

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the period presented in these financial statements.

**a) Current versus non-current classification**

The Company presents assets and liabilities in balance sheet based on current/non-current classification. An asset is classified as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.



## **PAY WITH INDIAMART PRIVATE LIMITED**

### **Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### **b) Fair value measurement**

The Company measures financial instruments, such as separable embedded derivative financial liability component of optionally convertible cumulative redeemable preference shares (OCCRPS), investment in mutual funds at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 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 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant estimates and assumptions (Note 3)
- Disclosures for valuation methods and quantitative disclosure of fair value measurement hierarchy (Note 24)

#### **c) Revenue from contracts with customers and other income**

##### **Revenue from contracts with customers**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at

## **PAY WITH INDIAMART PRIVATE LIMITED**

### **Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Income from Services

The company provides services of facilitation of electronic payment through internet-based solutions. Revenue is recognised as and when services are rendered to the clients. The Company collects goods and service tax on behalf of Government and therefore it is not an economic benefit therefore excluded from revenue.

#### **Other income**

##### Interest income

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### **d) Taxes**

##### **Current Income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### **Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## **PAY WITH INDIAMART PRIVATE LIMITED**

### **Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Goods and service tax (GST) paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

#### **e) Provisions and contingent liabilities**

##### Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

#### **f) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **Financial assets**

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**PAY WITH INDIAMART PRIVATE LIMITED**  
**Notes to financial statements for the year ended 31 March 2024**  
(Amounts in INR "Thousands", unless otherwise stated)

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans to employees, trade and other receivables.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-

## **PAY WITH INDIAMART PRIVATE LIMITED**

### **Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

## **PAY WITH INDIAMART PRIVATE LIMITED**

### **Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

#### **Financial liabilities**

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include, non-derivative financial liability and separable embedded derivative financial liability component of convertible preference shares (refer policy below), trade and other payables.

##### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has designated convertible preference shares issued with share buyback obligation, to be measured at fair value through profit or loss.

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

##### Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be

## **PAY WITH INDIAMART PRIVATE LIMITED**

### **Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

#### **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Convertible preference shares**

Convertible preference shares are separated into liability and equity components (if any) based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent periods.

In the absence of fixed to fixed relationship, the conversion option is also analysed for classification as embedded derivative financial liability component and is recognised at fair value at each balance sheet date if not closely related to the host financial liability instrument.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

#### **g) Foreign currency transactions**

The Company's financial statements are presented in INR which is also the Company's functional currency.

#### **Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

**PAY WITH INDIAMART PRIVATE LIMITED****Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**h) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**i) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**j) Share capital**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**3. Significant accounting estimates and assumptions**

The preparation of 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. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial Period, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**a) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability the Company considers



**PAY WITH INDIAMART PRIVATE LIMITED**

**Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

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whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on the deductible temporary differences since the management is of the view that it is probable the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

**b) Fair value measurement of financial instruments**

When the fair values of financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model and Binomial Option Pricing model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 24 for further disclosures.

**c) Impairment of Non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model or other fair value valuation models. In DCF model, the cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**Pay With Indiamart Private Limited**

**Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands" , unless otherwise stated)

**4 Current investments**

**Investments in mutual funds- quoted (measured at FVTPL)**

	<b>As at 31 March 2024</b>		<b>As at 31 March 2023</b>	
	<b>No. of Units</b>	<b>Amount</b>	<b>No. of Units</b>	<b>Amount</b>
ICICI Prudential Saving Fund- Growth	30,924	15,448	30,924	14,308
<b>Total</b>	<b>30,924</b>	<b>15,448</b>	<b>30,924</b>	<b>14,308</b>
<b>Aggregate book value of quoted investments</b>		<b>15,448</b>		<b>14,308</b>
<b>Aggregate market value of quoted investments</b>		<b>15,448</b>		<b>14,308</b>

**5 Cash and cash equivalents**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Balance with bank		
- On current accounts	17,975	19,824
<b>Total Cash and cash equivalents</b>	<b>17,975</b>	<b>19,824</b>

**Notes:**

Cash and cash equivalents for the purpose of cash flow statement comprise cash and cash equivalents as shown above.

**6 Other financial assets (measured at amortised cost)**

**Current (unsecured, considered good unless stated otherwise)**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Amount recoverable from payment gateway	23,209	15,910
<b>Total</b>	<b>23,209</b>	<b>15,910</b>

**7 Other current assets**

**Current (Unsecured, considered good unless otherwise stated)**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Balances with government authorities	-	528
Prepaid expenses*	4	2
<b>Total</b>	<b>4</b>	<b>530</b>

\*Refer Note 20 for the balances pertaining to related parties.

**Pay With Indiamart Private Limited****Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands" , unless otherwise stated)

**8 Share capital****Authorised equity share capital (INR 10 per share)**

<b>At 1 April 2022</b>	<b>250,000</b>	<b>2,500</b>
Changes during the year	-	-
<b>At 31 March 2023</b>	<b>250,000</b>	<b>2,500</b>
Changes during the year	-	-
<b>At 31 March 2024</b>	<b>250,000</b>	<b>2,500</b>

**Issued equity share capital (subscribed and fully paid up) (INR 10 per share)**

<b>At 1 April 2022</b>	<b>100,000</b>	<b>1,000</b>
Changes during the year	-	-
<b>At 31 March 2023</b>	<b>100,000</b>	<b>1,000</b>
Changes during the year	-	-
<b>At 31 March 2024</b>	<b>100,000</b>	<b>1,000</b>

**a) Terms/ rights attached to equity shares:**

- 1) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share.
- 2) In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Shares held by holding company**

	<b>As at 31 March 2024</b>		<b>As at 31 March 2023</b>	
	<b>Number</b>	<b>percentage</b>	<b>Number</b>	<b>percentage</b>
<b>Equity shares of Rs. 10 each fully paid</b>				
Indiamart Intermesh Limited ( including nominee shares held on behalf of IndiaMART InterMESH)	100,000	100%	100,000	100%

**c) Details of shareholders holding more than 5% equity shares in the Company**

	<b>As at 31 March 2024</b>		<b>As at 31 March 2023</b>	
	<b>Number</b>	<b>percentage</b>	<b>Number</b>	<b>percentage</b>
<b>Equity shares of Rs. 10 each fully paid</b>				
Indiamart Intermesh Limited ( including nominee shares held on behalf of IndiaMART InterMESH)	100,000	100%	100,000	100%

**d) Details of shareholding of promoters**

	<b>As at 31 March 2024</b>			<b>As at 31 March 2023</b>	
	<b>Number</b>	<b>% Holding</b>	<b>% Change during the year</b>	<b>Number</b>	<b>% Holding</b>
Indiamart Intermesh Limited	99,999	99.99%	-	99,999	99.99%
Shrawan Kumar Sharma (Nominee of Indiamart Intermesh Limited)	1	0.01%	-	1	0.01%
	<b>100,000</b>	<b>100%</b>		<b>100,000</b>	<b>100%</b>

**e) Other equity**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Equity portion of optionally convertible cumulative redeemable preference shares (refer note 9)	29,209	29,209
Retained earnings	(24,552)	(24,180)
<b>Total other equity</b>	<b>4,657</b>	<b>5,029</b>

**Nature and purpose of reserve and surplus:-**

- Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company.

9 Borrowings

	As at 31 March 2024	As at 31 March 2023
<b>Non-current</b>		
<b>Liability component of compound financial instrument</b>		
Optionally convertible cumulative redeemable preference shares (unsecured)	50,254	44,059
<b>Total</b>	<b>50,254</b>	<b>44,059</b>

**Terms of conversion/ redemption of 0.01% Optionally Convertible Cumulative Redeemable Preference Share (OCCRPS)**

The Company has issued only one class of preference shares i.e 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). The OCCRPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up; the OCCRPS shall be participating in the surplus funds; the OCCRPS shall be participating in surplus assets and profits, on winding- up which may remain after the entire capital has been repaid; the OCCRPS will be entitled to dividend, if declared by the Board of Directors, on cumulative basis. With effect from 22 February 2019, the Company has changed its terms of OCCRPS to fix the tenure till 31 January 2028 and amount of redemption of preference shares to Rs. 30 per share including Rs 20 per share for premium on redemption. The OCCRPS holders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Companies Act 2013. The OCCRPS will be optionally convertible into equity share of the Company at 1:1 ratio at the option of the holder at the expiry of terms on 31 January 2028 at Rs 30 per share including Rs 20 per share for premium on redemption. Consequent to the change in redemption terms with effect from 22 February 2019 the nature is changed from fair value through P&L to measurement through amortised cost.

**Authorised preference share capital**

	Number of shares	Amount
<b>At 01 April 2022</b>	<b>4,850,000</b>	<b>48,500</b>
Changes during the year	-	-
<b>At 31 March 2023</b>	<b>4,850,000</b>	<b>48,500</b>
Changes during the year	-	-
<b>At 31 March 2024</b>	<b>4,850,000</b>	<b>48,500</b>

**Issued preference share capital (subscribed and fully paid up)**

	Number of shares	Amount
<b>At 01 April 2022</b>	<b>2,775,000</b>	<b>27,750</b>
Changes during the year	-	-
<b>At 31 March 2023</b>	<b>2,775,000</b>	<b>27,750</b>
Changes during the year	-	-
<b>At 31 March 2024</b>	<b>2,775,000</b>	<b>27,750</b>

	As at 31 March 2024		As at 31 March 2023	
	Number	percentage	Number	percentage
a) <b>Shares held by holding company</b>				
<b>Optionally Convertible Cumulative Redeemable Preference shares of Rs. 10 each fully paid</b>				
Indiamart Intermesh Limited	2,775,000	100%	2,775,000	100%
b) <b>Details of shareholders holding more than 5% preference shares in the Company</b>				
	As at 31 March 2024		As at 31 March 2023	
	Number	percentage	Number	percentage
<b>Optionally Convertible Cumulative Redeemable Preference shares of Rs. 10 each fully paid</b>				
Indiamart Intermesh Limited	2,775,000	100%	2,775,000	100%

**10 Trade payables**

	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
Outstanding dues to micro and small enterprises	-	-
Other trade payables		
- Outstanding dues to others	-	-
Accrued expenses	145	176
<b>Total</b>	<u>145</u>	<u>176</u>

Outstanding for following periods from due date of payment / transaction	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2024</b>						
i) MSME* - undisputed	-	-	-	-	-	-
ii) Others - undisputed	-	-	-	-	-	-
Accrued expenses	145	-	-	-	-	145
<b>As at 31 March 2023</b>						
i) MSME* - undisputed	-	-	-	-	-	-
ii) Others - undisputed	-	-	-	-	-	-
Accrued expenses	176	-	-	-	-	176

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

**11 Other financial liabilities**

	As at 31 March 2024	As at 31 March 2023
Other Payables	458	336
<b>Total</b>	<u>458</u>	<u>336</u>

**12 Other current liabilities**

	As at 31 March 2024	As at 31 March 2023
Tax deducted at source payable	86	59
GST payable	135	-
<b>Total</b>	<u>221</u>	<u>59</u>

**13 Tax assets and liabilities**

	As at 31 March 2024	As at 31 March 2023
<b>Non-current tax assets (net)</b>		
Income tax assets (net)	99	87
<b>Total</b>	<u>99</u>	<u>87</u>

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>14 Revenue from operations</b>		
<b>Sale of services</b>		
Income from Services	42,137	28,789
<b>Total</b>	<b>42,137</b>	<b>28,789</b>

Since the Company does not have any contract liabilities at the reporting date; therefore, the revenue expected to be recognised in the future related to performance obligation is nil.

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>15 Other income</b>		
Interest income		
- Others	1	-
Compensation for Legal Damages	-	230
Fair value gain on mutual funds recognised through Profit and Loss	1,140	772
Miscellaneous Income	46	-
<b>Total</b>	<b>1,187</b>	<b>1,002</b>

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>16 Finance costs</b>		
Interest expense on financial liability measured at amortised cost	6,195	5,431
<b>Total</b>	<b>6,195</b>	<b>5,431</b>

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>17 Other expenses</b>		
Legal and professional fees	625	580
Software expense	3	-
Referral fees	6,527	4,487
Rates and taxes	48	7
Auditor's remuneration*	80	70
Outsourced support cost	1,206	762
Collection charges	29,012	19,423
Allowances for doubtful debts (including bad debts)	-	183
<b>Total</b>	<b>37,501</b>	<b>25,512</b>

**Payment to Auditors\* (exclusive of GST)**

**As auditor:**

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
- Audit fee	80	70
	<b>80</b>	<b>70</b>

**18 Earnings per share**

Basic EPS amounts are calculated by dividing the profit/(loss) for the year 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 profit/(loss) 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 is the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Loss for the year	(372)	(1,152)
Weighted average number of equity shares in calculating basic EPS	100,000	100,000
<b>Basic loss per share</b>	<b>(3.72)</b>	<b>(11.52)</b>
Loss for the year	(372)	(1,152)
Interest expense on convertible preference shares	6,195	5,431
<b>Adjusted profit for the year</b>	<b>5,823</b>	<b>4,279</b>
Weighted average number of equity shares in calculating basic EPS	100,000	100,000
Potential equity shares in the form of convertible preference shares	2,775,000	2,775,000
<b>Total no. of shares outstanding (including dilution)</b>	<b>2,875,000</b>	<b>2,875,000</b>
<b>Diluted loss per share*</b>	<b>(3.72)</b>	<b>(11.52)</b>

\*There are potential equity shares which are anti-dilutive, hence they are ignored in the calculation of diluted loss per share and accordingly the diluted loss per share is the same as basic loss per share.

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

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Current tax expense</b>		
Current tax for the year	-	-
	-	-
<b>Deferred tax expense/(benefit)</b>		
Relating to origination and reversal of temporary differences	-	-
	-	-
<b>Total income tax expense</b>	-	-

**b) Income tax recognised in other comprehensive income/(loss) (OCI)****Deferred tax related to items recognised in OCI during the year**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net gain/(loss) on remeasurements of defined benefit plans	-	-

**c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Loss before tax	(372)	(1,152)
<b>Accounting profit before income tax</b>	<b>(372)</b>	<b>(1,152)</b>
Tax expense at the statutory income tax rate @25.17%	(94)	(290)
Adjustments in respect of unrecognised deferred tax assets of tax business loss and other timing differences	94	290
<b>Tax expense at the effective income tax rate</b>	<b>-</b>	<b>-</b>

**d) Detail of deductible temporary differences and unused tax losses for which no deferred tax asset is recognised in the balance sheet:**

Particulars	As at 31 March 2024	As at 31 March 2023
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:		
- tax business losses	5,785	12,926
	<b>5,785</b>	<b>12,926</b>

No deferred tax has been created on temporary differences and unused tax losses including unabsorbed depreciation due to lack of reasonable certainty of future taxable profits against which such deferred tax assets can be realized.



**Pay With Indiamart Private Limited****Notes to financial statements for the year ended 31 March 2024**

(Amounts in INR "Thousands", unless otherwise stated)

**20 Related party transactions****a) Names of related parties and related party relationship**

<b>(i) Holding Company</b>	Indiamart Intermesh Limited
<b>(ii) Key Management Personnel</b>	Shrawan Kumar Sharma , Director Praveen Kumar Goel, Director Amit Jain, Director
<b>(iii) Fellow subsidiaries*</b>	Busy Infotech Private Limited Livekeeping Technologies Private Limited

\*With whom the company had transaction during the reporting period have been mentioned here.

**b) Related party transactions :****i) The following table provides the total amount of transactions that have been entered into with the related parties during the period :**

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
<b>Holding Company</b>		
Finance cost on Optionally convertible cumulative redeemable preference share (OCCRPS)	6195	5,431
Reimbursement received towards indemnification cases	633	623
Income from services	2,704	1,847
Outsourced support cost	1,206	762
Referral fees paid	6,527	4,487
<b>Fellow subsidiary</b>		
<b>Busy Infotech Pvt Ltd.</b>		
Income from services	39	-
<b>Livekeeping Technologies Private Limited</b>		
Income from services	**	-
Software Expense	3	3

\*\* amount below rounding off norms adopted by the Company.

**ii) The following table discloses amounts due to or due from related parties at the relevant period end**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>IndiaMart InterMesh Limited</b>		
Balance of Optionally convertible cumulative redeemable preference share (OCCRPS)	50,254	44,059
<b>Fellow subsidiary</b>		
<b>Livekeeping Technologies Private Limited</b>		
Prepaid expense	2	2

**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. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**21 Contingent liabilities**

- As at 31 March 2024, the Company has NIL contingent liabilities (31 March 2023: NIL).

**22 Capital and other commitments**

- As at 31 March 2024, the Company has NIL capital commitment (31 March 2023: NIL).

**23 Additional Regulatory Information**

**a) - Ratios**

Ratio	Numerator	Denominator	Current year	Previous year	% Variance <sup>a</sup>
<b>Current Ratio (in times)</b>	Current Assets	Current liabilities	68.77	88.57	-22%
<b>Return on Equity Ratio (in %)</b>	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	-6%	-17%	-63%
<b>Trade payables turnover ratio (in times)</b>	Other expenses	Average trade payable	234	182	29%
<b>Net capital turnover ratio (in times)</b>	Revenue from operations	Working capital (Current Assets- Current liabilities)	0.75	0.58	31%
<b>Net profit ratio (in %)</b>	Net profit after tax	Revenue from operations	-1%	-4%	-78%
<b>Return on Capital employed (ROCE) (in %)</b>	Earning before interest and taxes	Capital employed (Refer Note 1 below)	103%	71%	45%
<b>Return on investment (ROI) (in %)</b>	Income generated from invested funds (Refer Note 2 below)	Average invested funds in treasury investments (Refer Note 3 below)	8%	6%	37%

**Notes**

- Capital Employed = Total shareholder's equity
- Income generated from invested funds = FVTPL gain on mutual funds
- Average invested funds in treasury investments = Average of (Average quarterly opening treasury investments and quarterly closing treasury investments #)
- # Treasury Investments = Mutual funds
- Average is calculating based on simple average of opening and closing balances.

\* Explanation where variance in ratio is more than +/-25%

**- Return on equity ratio**

Ratio improved due to decrease in loss after tax

**- Net profit ratio**

Ratio improved due to reduction in net loss

**- Trade Payable turnover ratio**

The ratio increased on account of decrease in trade payables in the current year.

**- Net Capital turnover ratio**

Ratio increased on account of increase in revenue from operations in current year as compared to previous year

**- Return on Capital employed (ROCE) (in %)**

Ratio increased on account of reduced losses in current year as compared to previous year

**- Return on investment (ROI)**

Ratio increased on account of increase in fair value gain on mutual funds

**b) - Relationship with Struck off companies:**

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

## 24 Financial instruments

**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 March 2024	As at 31 March 2023
<b>Financial assets</b>			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds	Level 1	15,448	14,308
		15,448	14,308
b) Measured at Amortised cost			
- Cash and cash equivalents		17,975	19,824
- Others financial assets		23,209	15,910
<b>Total financial assets</b>		<b>56,632</b>	<b>50,042</b>
<b>Financial liabilities</b>			
Measured at amortised cost			
- Borrowings		50,254	44,059
- Trade payables		145	176
- Other financial liabilities		458	336
<b>Total financial liabilities</b>		<b>50,857</b>	<b>44,571</b>

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

- The carrying value of cash and cash equivalents, trade payables, 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 borrowings 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 and alternative investment funds is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.
- There are no financial instruments measured at Level 3. fair value.

## 25 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the returns to stakeholders through the optimisation of the borrowings and equity balance.

The Company is not subject to any externally imposed capital requirements.

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

## 26 Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

### i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Cash and cash equivalents, bank deposits and investments in mutual funds, bonds, exchange traded funds.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

### ii) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the board of directors, who has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

### Maturities of financial liabilities

The table below summarises the maturity profile of the Company's undiscounted financial liabilities based on contractual payments:

#### Contractual maturities of financial liabilities

31 March 2024	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	145	-	-
Other financial liabilities	458	-	-
	<b>603</b>	<b>-</b>	<b>-</b>
31 March 2023	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	176	-	-
Other financial liabilities	336	-	-
	<b>512</b>	<b>-</b>	<b>-</b>

### iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investments in mutual funds.

#### a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

#### b) Interest rate risk

Investment of short-term surplus funds of the Company in liquid schemes of mutual funds provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

### Sensitivity

	Impact on Profit before Tax	
	For the year ended 31 March	For the year ended 31 March 2023
+ 5% change in NAV of mutual fund	772	715
- 5% change in NAV of mutual fund	(772)	(715)

## 27 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one business segment which is facilitation of electronic payment through internet-based solutions. Hence the Company falls within a single operating segment "facilitation of electronic payment through internet-based solutions".

## 28 Details of dues to micro and small enterprises as defined under MSMED Act 2006:

	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

## 29 Events after the reporting period

The Company has evaluated all the subsequent events through 25 April 2024 which is the date on which these financial statements were issued, and no events have occurred from the balance sheet date through that date.

## 30 Figures for the previous period have been regrouped/reclassified to conform to the classification of the current year.

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

As per our report of even date

For Pankaj Priti & Associates  
**Chartered Accountants**  
**ICAI Firm Registration No. 016461N**

PANKAJ KUMAR JAIN  
Digitally signed by PANKAJ KUMAR JAIN  
Date: 2024.04.25 18:23:55 +05'30'

**Pankaj Jain**  
**Partner**  
**Membership No.: 095412**

Place: New Delhi  
Date: 25-Apr-2024

For and on behalf of the Board of Directors  
**Pay With Indiamart Private Limited**  
**CIN : U74999DL2017PTC312424**

PRAVEEN KUMAR GOEL  
Digitally signed by PRAVEEN KUMAR GOEL  
Date: 2024.04.25 17:20:16 +05'30'

**Praveen Kumar Goel**  
**(Director)**  
**DIN- 03604600**

Place: Noida  
Date: 25-Apr-2024

**SHRAWAN KUMAR SHARMA**  
Digitally signed by SHRAWAN KUMAR SHARMA  
Date: 2024.04.25 17:35:48 +05'30'

**Shrawan Kumar Sharma**  
**(Director)**  
**DIN- 07043379**

Place: Noida  
Date: 25-Apr-2024