EMPOWERING BUSINESSES

ANNUAL REPORT 2023

CONTENTS

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting Twenty Sixth (26th) Board's Report on the business and operations of the Company together with the Audited Financial Statements and the Auditor's Report for the financial year ended March 31, 2023 ('FY 2023').

FINANCIAL PERFORMANACE

A summary of financial performance of the Company for the Financial Year ended March 31, 2023, as compared to the previous year is detailed below:

(Amount in INR Million)

Particulars	FY 2023	FY 2022
Revenue from Operations	432.73	353.75
Other Income	38.40	29.88
Total Income	**471.13**	**383.63**
Employee Benefit Expenses	218.43	175.05
Finance Costs	0.32	0.40
Depreciation and amortization expenses	6.68	3.71
Other Expenses	111.15	91.91
Total Expenses	**336.57**	**271.08**
Profit before tax	134.56	112.55
Income Tax Expenses		
Current Tax	-	45.14
Deferred Tax	26.94	(13.78)
Total Tax Expenses	**26.94**	**31.36**
Net Profit for the year	**107.61**	**81.91**

Notes:

1. *The Company has adopted Indian Accounting Standards (IND AS) for preparation of financial statements for year ended March 31, 2023. The previous year figures have been adjusted on account of differences in the accounting principles adopted by the Company on transition to the Ind AS.*
2. *The above figures are extracted from the Standalone Financial Statements prepared in compliance with Indian Accounting Standards. The Financial Statements of the Company complied with all aspects of IND AS notified under Section 133 of the Companies Act, 2013. ('the Act').*

REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The total revenue from operations of the Company for the financial year ended March 31, 2023, was ₹ 432.73 Million as compared to previous year's revenue of ₹ 353.75 Million.

The net profit of the Company for the financial year ended March 31, 2023, was ₹ 107.61 Million as compared to previous year's profit of ₹ 81.91 Million.

CHANGE IN SHAREHOLDING

During FY 2023, IndiaMART InterMESH Limited ('IndiaMART') acquired 100% paid up share capital of the Company on April 06, 2022 at a price of ₹ 1,11,111 (Rupees One Lakh Eleven Thousand One Hundred and Eleven Only) per equity share, including premium of ₹ 1,11,101/- (Rupees One Lakh Eleven Thousand One Hundred and One Only) per equity share upto an aggregate amount of ₹ 500 crores from the existing shareholders pursuant to the Share Purchase Agreement ('SPA') executed on January 24, 2022 amongst the Company, existing shareholders and the Promoters.

Pursuant to the above transaction, the Company become a wholly-owned subsidiary of IndiaMART InterMESH Limited, which is a public limited company listed with National Stock Exchange of India Limited and BSE Limited. The Company also became deemed Public Company in terms of Section 2(71) of the Companies Act, 2013.

CHANGE IN NATURE OF BUSINESS

During FY 2023, the main objects, as stated in the Memorandum of Association of the Company were amended to include the other activities related to internet-based services, software as a service, accounting services, electronic payment facilitation mechanisms through internet based solutions, etc.

Board's Report (contd.)

Apart from the above prescribed change, there was no change in the nature of business of the Company.

CHANGE IN REGISTERED OFFICE

During FY 2023, the registered office of the Company was shifted from 206, M G House 2, Community Centre, Wazirpur Industrial Area, Delhi-110052 to 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi – 110002.

MATERIAL CHANGES AND COMMITMENTS

As prescribed under section 134(3) of the Companies Act, 2013 ('the Act'), there have been no material changes and commitments affecting the financial performance of your Company which occurred between the end of the financial year of the Company and date of this report, except as disclosed elsewhere in report.

SHARE CAPITAL

Authorised Share Capital

During FY 2023, there is no change in the Authorised Share Capital of the Company. As on March 31, 2023, the Authorised Share Capital of the Company is ₹ 1,00,00,000/- (Rupees One Crore) divided into 10,00,000 (Ten Lakh) Equity Shares having a face value of ₹ 10/- (Rupees Ten Only) each.

Issued, Subscribed and Paid Up Equity Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid Up Equity Share Capital of the Company. As on March 31, 2023, the issued, subscribed and paid up equity share capital of the Company is ₹ 4,50,000 (Rupees Four Lakh Fifty Thousand) divided into 45,000 (Forty Five Thousand) equity shares having a face value of ₹ 10/- (Rupees Ten Only) each.

DIVIDEND

The Board of Directors have not recommended any dividend for FY 2022-23.

TRANSFER TO RESERVES

During FY 2023, the Company did not transfer any amount to the general reserve.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, and no amount of principal or interest on deposits from the public was outstanding at the beginning and end of FY 2023.

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2023, the Company does not have any subsidiary company, joint ventures or associate companies.

FINANCIAL ACCOUNTING

The financial statements of the Company for the financial year ended March 31, 2023 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

The financial statements of the Company for the previous financial year ended March 31, 2022 have been adjusted on account of differences in the accounting principles adopted by the Company on transition from Indian Accounting Standards to the Ind AS, which have been audited by the statutory auditors of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Investments, made during the year and pursuant to Section 186 of the Act, are given in Note No. 7 of notes to the Financial Statements forming part of the Annual Report.

During FY 2023, the Company has not given any loan or provided any guarantees pursuant to Section 186 of the Act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to Section 134(3)(h) of the Act, all the contracts, arrangements and transactions with the related parties as entered by the Company during the financial year under review were on arm's length basis and in the ordinary course of business. Further, during the reporting period, the Company has not entered into any arrangement/ transaction with related parties which could be considered material and accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable. The disclosure of Related Party Transactions under Section 188(1) of the Act forms part of financial statements. The statement showing the disclosure of Related Party Transactions have been disclosed in Note No. 29 to the Standalone Financial Statement forming an integral part of this Annual Report.

PARTICULARS OF EMPLOYEES

During the year, no Employee or, Director of the Company was in receipt of remuneration in excess of limits prescribed under Section 197 of the Act read with the Companies (Appointment and Remuneration) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During FY 2023, there were significant changes in the composition of Directors and Key Managerial Personnel of the Company as are enlisted below.

The Board of Directors in its meeting held on April 06, 2022, appointed the following Directors whose appointment was further confirmed by the shareholders in the Annual General Meeting held on June 27, 2022:

Board's Report (contd.)

Name of the Director	DIN	Category	Designation
Mr. Brijesh Kumar Agrawal	00191760	Executive Director	Managing Director & CEO(KMP)
Mr. Prateek Chandra	00356853	Non-Executive Director	Director
Mr. Mekin Maheshwari	03621431	Non-Executive Director	Independent Director

Further, Mr. Dinesh Kumar Gupta, Mr. Rajesh Gupta and Mr. Harish Chander tendered their resignation from the Directorship of the Company w.e.f close of business hours on April 6, 2022 pursuant to the Share Purchase Agreement ('SPA') dated January 24, 2022, as executed amongst IndiaMART ,the Company and its promoters in pursuance to which IndiaMART acquired 100% paid up share capital of the Company on April 06, 2022 .

The Board places on record its appreciation for the assistance and guidance provided by Mr. Dinesh Kumar Gupta, Mr. Rajesh Gupta and Mr. Harish Chander during their tenure as Directors of the Company.

In the opinion of the Board of Directors, Mr. Mekin Maheshwari is a person of integrity and possesses relevant expertise and experience and fulfils the conditions for appointment as Independent Director as specified in the Act, the Rules made thereunder, and he is independent of the management of the Company. Further, in compliance with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, he has registered himself with the Indian Institute of Corporate Affairs (IICA).

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, may offer themselves for re-appointment at every AGM. Accordingly, one of the Directors, other than an Independent Director or Managing Director, would be liable to retire by rotation at the ensuing AGM. Mr. Prateek Chandra (DIN: 00356853), Director of the Company, is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends his re-appointment for consideration by the members of the Company at the ensuing AGM. A brief profile, expertise of Director and other details as required under the Act and Secretarial Standards - 2 related to the Director proposed to be re-appointed is annexed to the Notice convening the AGM.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

Mr. Mekin Maheshwari has confirmed that he has met the criteria of independence prescribed under Section 149 of the Act.

Further, the code of conduct for Independent Directors specifying their roles, rights, responsibilities in the Company are available on the website of the Company at the link https://busy.in/investor.

MEETING OF BOARD OF DIRECTORS

During FY 2023, Six (6) Board Meetings were held on April 06, 2022, May 11, 2022, June 23, 2022, July 19, 2022, October 17, 2022 and January 17, 2023. The maximum gap between the two (2) meetings did not exceed one hundred and twenty (120) days.

The Composition of the Board as on March 31, 2023 along with number of meetings and attendance details are as follows:

S. No.	Name of the Director	Designation	No. of Meetings held during the tenure	No. of Meeting attended during the tenure
1	Mr. Brijesh Kumar Agrawal	Managing Director & CEO	6	6
2	Mr. Prateek Chandra	Director	6	6
3	Mr. Mekin Maheshwari	Independent Director	6	6

Note: The Company does not have a regular Chairperson of the Board. However, the Board members in their meeting unanimously elect the Chairperson of the Meeting.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has in place Corporate Social Responsibility Policy ('Policy') which outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards welfare and sustainable development of the community around the area of its operations and other parts of the Country.

The Company has constituted a Corporate Social Responsibility Committee ('CSR Committee') in accordance with the provisions of the Act comprising of three (3) members of the Board of the Company i.e., Mr. Brijesh Kumar Agrawal, Mr. Mr. Prateek Chandra and Mr. Mekin Maheswari.

Board's Report (contd.)

In accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rules'), the Company has formulated the CSR Policy which can be accessed on the Company's website https://busy.in/csr. The CSR Policy outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards health and education of the community. Corporate Social Responsibility (CSR) at your Company aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations.

In terms of Section 135 of the Act read with Rule 8 of the CSR Rules as amended, the Annual Report on CSR Activities undertaken by the Company during FY 2023 is annexed herewith as 'Annexure –1' to this Report.

During FY 2023, the CSR Committee met 2 times during the year i.e., on June 23, 2022 and October 17, 2022. The Composition of the CSR Committee along with number of meetings and attendance details as on March 31, 2023 are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the tenure	No. of meetings attended during the tenure
1.	Mr. Brijesh Kumar Agrawal	Member	Managing Director & CEO	2	2
2.	Mr. Prateek Chandra	Member	Non-Independent & Non- Executive Director	2	2
3.	Mr. Mekin Maheshwari	Member	Independent & Non- Executive Director	2	2

PREVENTION OF SEXUAL HARRASEMENT

Your Company is fully committed to uphold and maintain the dignity of women working in the Company and has zero tolerance towards any actions which may fall under the ambit of sexual harassment at workplace. An Internal Complaints Committee ('ICC') under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') has been constituted to redress the complaints received regarding sexual harassment and it presently comprises of five (5) members out of which three (3) members are women as on the date of this report.

The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace. Periodic sessions were also conducted to apprise employees and build awareness on the subject matter. The details of sexual harassment complaints received and disposed-off during period under review are as follows:

No. of Complaints received	:	Nil
No. of complaints disposed-off	:	Nil
No. of cases pending for more than 90 days	:	Nil
No. of workshops or awareness programmes		01
Nature of action taken by the Company		NA

Nature of business conducted throughout the workshops in respect of POSH Act:

- Awareness of the POSH Policy and guidelines
- Information on ICC members
- How & where to file complaint
- Information on activities falling under POSH Policy & repercussions of indulging in any distasteful act
- Information on POSH policy is being shared in Induction Program to new joiners

Mr. Puneet Chhabra, was appointed as 'Employer' under the POSH Act for ensuring proper Compliance of the Act.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

The provisions of Section 178(1) of the Act relating to constitution of Nomination and Remuneration Committee and framing of Policy relating to appointment & remuneration of Directors are not applicable to the Company.

Board's Report (contd.)

BOARD EVALUATION

As the provisions of Section 178 of the Act read with rules made thereunder are not applicable to the Company, Board evaluation process is not required to be carried out.

WHISTLE-BLOWER POLICY/VIGIL MECHANISM

As the provisions of Section 177 of the Act read with rules made thereunder are not applicable to the Company, Vigil Mechanism is not required to be implemented by the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;

b) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detecting of fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

AUDITORS

Statutory Auditor

During FY 2023, M/s Sushil Gupta & Associates, Chartered Accountants (Firm Registration No. 014913N), Statutory Auditors of the Company tendered their resignation as Statutory Auditors of the Company with effect from the Annual General Meeting of the Company for FY 2021-22.

The Board place on record its appreciation for the ethical standards and quality maintained by M/s Sushil Gupta & Associates, Chartered Accountants as the Statutory Auditors of the Company.

The Board of Directors recommended and the shareholders of the Company in the Annual General Meeting held on June 27, 2022, approved the appointment of M/s B S R & Co., Chartered Accountants (Firm Registration No101248W/W-100022) as the Statutory Auditors of the Company pursuant to Section 139(8) of the Act for an initial term of five (5) consecutive years from the conclusion of 25th AGM till the conclusion of 30th AGM of the Company without any further requirement of ratification at every intervening AGM.

The report of the Statutory Auditors for the financial year ended March 31, 2023 forms part of the Annual Report. The said report is self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimer.

The Company has received the consent and eligibility certificate from M/s B S R & Co., Chartered Accountants under Section 139(1) and 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

Internal Auditor

During FY 2023, M/s. SCV & Co. LLP, Chartered Accountants (Registration No. - AAM-5565) was appointed as Internal Auditors of the Company to conduct internal audit of the Company for FY 2022-23 as per the provisions of Section 138 of the Act.

Secretarial Auditor

During FY 2023, the Company was not required to appoint Secretarial Auditor pursuant to the provisions of Section 204 of the Act.

REPORTING OF FRAUDS BY AUDITORS

During FY 2023, the Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

INTERNAL FINANCIALS CONTROLS

Your Board of Directors affirm that the internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

During FY 2023, no material or serious observation has been received from the statutory auditors of the Company on the inefficiency or inadequacy of such controls.

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Act, the Annual Return referred to in Section 92(3) of the Act for the financial year ended on March 31, 2023 is available on the website of the Company (web link: https://busy.in/investor).

COST RECORDS

Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards on Meeting of the Board (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India.

Board's Report (contd.)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Company takes its best efforts to conserve the energy consumed in its premises. During the year under review, there was no technology absorption.

The Foreign Exchange earned in terms of actual inflows and outflows, during the financial year are as follows:

(Amount in ₹ Thousand)

Details	FY 2022-23	FY 2021-22
Inflows	14,534	11,716
Outflows	4,715	-

STATEMENT OF RISK MANAGEMENT

Risk management forms an integral part of the business planning and review cycle. The Company's risk management initiatives are designed to overview the main risks known to your Company, which could hinder it in achieving its strategic and financial business objectives. The objectives are met by integrating management control into the daily operations, by ensuring compliance with legal requirements and by safeguarding the integrity of the Company's financial reporting and its related disclosures like businesses, objectives, revenues, income, assets, liquidity or capital resources.

Pursuant to Section 134(3) of the Act, the Company has in place, an effective risk management framework, which is governed at the highest level by the Board. The framework identifies elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

OTHER STATUTORY DISCLOSURES

The Board of Directors of the Company state that no disclosure or reporting is required in respect of the following items as there were no transactions/disclosure required on these items during the period under review:

a) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise or sweat equity shares during the financial year;

b) The Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme;

c) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;

d) No disclosure is required to be given w.r.t. to details of the Employees Stock Option Scheme Section as required under Section 62(1)(b) of the Act read with rule 12(9) of Companies (Share capital and debentures) Rules, 2014;

e) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;

f) No orders have been passed by any Regulators or Courts or Tribunals, against the Company, which can have impact on the going concern status and the Company's operations in future;

g) The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

ACKNOWLEDGEMENT

The Board of Directors of the Company wish to place on record valuable cooperation made by every individual associated with the Company through their hard work, dedication, competence, support and co-operation towards the success of your Company and are deeply grateful and thankful for consistent assistance as received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

Your Directors believes in and always upholds the aspects of professionalism, integrity and righteousness across all its functions, activities and departments and focuses on sustainable and profitable growth of the Company.

On behalf of the Board
For **Busy Infotech Private Limited**

Sd/-
Brijesh Kumar Agrawal
Managing Director & CEO
DIN: 00191760

Sd/-
Mekin Maheshwari
Independent Director
DIN: 03621431

Place: Noida
Date: April 27, 2023

ANNEXURE 1

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

for the Financial Year 2022-23

[Pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **Brief outline on Company's CSR Policy**

Your Company aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations. The philosophy of CSR is imbibed in our business activities and social initiatives taken in the area of Health and Education.

With this idea of shared growth, the Company focused its CSR initiatives primarily in the field of education and employability. The Company has also taken various steps to meet society's expectations by focusing on education and welfare of underprivileged children.

The Company has constituted the Corporate Social Responsibility Committee in accordance with the provisions of the Companies Act, 2013 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014, ('CSR Rules') as amended from time to time.

In accordance with the provisions of Section 135 of the Act read with the CSR Rules, the Company has formulated the CSR Policy which outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards welfare and sustainable development of the community.

The objective of the CSR Policy is to set guiding principles for carrying out CSR activities by the Company and to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company. The same can be accessed on the Company's website at https://busy.in/csr.

2. **Composition of CSR committee:**

The composition of the committee as on March 31, 2023 is as under:

S. No.	Name of Director (Designation / Nature of Directorship)	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Brijesh Kumar Agrawal (Member / Managing Director & CEO)	2	2
2	Mr. Prateek Chandra (Member / Non-Executive Director)	2	2
3	Mr. Mekin Maheshwari (Member / Non-Executive, Independent Director)	2	2

3. **Weblink(s) where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.**
   - The Composition of CSR committee: https://busy.in/investors/csr%20committee%20composition.pdf
   - The CSR policy can be accessed at: https://busy.in/investors/csr_policy_busy_infotech.pdf
   - The CSR projects approved by the Board can be accessed at: https://busy.in/investors/csr_plan_22_23.pdf

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable

5. **Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:** Nil

Board's Report (contd.)

6.

a.	**Average net profit of the Company as per section 135(5)**	:	₹ 146.26 million
b.	**2% of average net profit of the company as per section 135(5)**	:	₹ 2.90 million
c..	**Surplus arising out of the CSR projects or programmes or activities of the previous financial years**	:	Nil
d.	**Amount required to be set off for the financial year, if any**	:	Nil
e.	**Total CSR obligation for the financial year (5b + 5c - 5d)**	:	₹ 2.90 million

7. **(A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR 2022-23:**

Total Amount Spent for the Financial Year 2022-23 (In ₹ million)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) (₹ In million)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2.29	0.71	April 18, 2023	-	-	-

Details of the Projects under Busy's CSR initiatives are as follows:

The Company believes in the philosophy of transforming businesses and lives through their constant efforts and actions for empowering societies. With a mission to achieve long-term socio-economic development of the communities, Company has focused its CSR initiatives on programs that bring sustainable change in education and employability. Being a responsible corporate citizen, Company's initiatives are focused at delivering maximum value to the society, under our CSR initiatives.

1. **Skilling Unemployed Youth under Tech Mahindra Foundation's Employability Program - SMART (Skills-for-Market Training) -** The Company has partnered with Tech Mahindra Foundation, our NGO Partner, to implement a pilot project of Skill underprivileged unemployed youth under which ITES/BPO, BFSI, CRS and Finance & Accounting courses are initiated.

   This project supports the Government of India's larger vision of skill development of youth through developing their market-oriented skills and linking them with potential employment. The projects seek to benefit those who have completed their secondary education and are unable to go into higher education due to lack of resources.

   This project strive to address the gap between the skills available and the industry requirement by providing an end-to-end solution for skill development leading to employability without any financial expenses at their end. Under this initiative, 200 candidates were trained at different centers based out of Delhi and Chennai and placement was provided to them.

2. **Skill Development and Employability Program for Youth from Under- Served Communities -** The Company with the help of NIIT Foundation, took another initiative to deliver a skill development project in selected location(s), impacting 90+ youths from underserved Communities. Their new age skilling model focuses on both self-learning and instructor-led learning – through Learning Management System (LMS) as well as Career Development Centre (CDC).

   This initiative will target youth from underserved communities who are 12th pass or graduates/ undergraduates with commerce background. The current project will be conducted in Delhi/NCR region.

   The project begin with mobilizing students from underserved communities for the courses. Proper counselling was provided. LMS and/or centre based training was also delivered in both self-learning and instructor-led manner. This was concluded by providing pre-placement training and placement support for the students.

Board's Report (contd.)

(B) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII in the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹ In million)	Amount spent in the current financial year (₹ In million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ In million)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Skill development and Employability Program for youth	Skill development and employability	Yes	Delhi/ NCR	Delhi/ NCR	6 months	1.00	0.29	0.71	No	NIIT Foundation	CSR00000621

(C) Details of CSR amount spent against other than ongoing projects for the financial year 2022-23:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the Project (₹ in million)	Mode of implementation on – Direct (Yes / No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1	Skilling Unemployed Youth under Tech Mahindra Foundation's Employability Program - SMART (Skills-for-Market Training)	Promoting education and skill development	Yes	Delhi & Tamil Nadu	West Delhi and Chennai	2.00	No	Tech Mahindra Foundation	CSR00001814

(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS : NIL

(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE : Not Applicable

(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (a + b + c) : ₹ 2.29 million

(G) EXCESS AMOUNT FOR SET OFF, IF ANY

Sl. No.	Particulars	Amount in million
i.	2% of average net profit of the Company as per Section 135(5)	₹ 2.90 million
ii.	Total amount spent for the financial year	₹ 2.29 million
iii.	Excess amount spent for the financial year [(ii)-(i)]	NA
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
v.	Amount available for set-off in succeeding financial years [(iii)-(iv)]	Nil

8. (a) Details of Unspent CSR amount for the preceding three financial years: NIl

Board's Report (contd.)

(b) Details of CSR amount spent in the financial year 2022-23 for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
Not Applicable								

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s)- **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset- **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)- **Not Applicable**

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - The Company has allocated ₹ 1.00 million out of ₹ 2.90 millions, being the two percent of the average net profit as per Section 135 (5), towards an ongoing project which is scheduled to be concluded in the next financial year out of which ₹ 0.29 million is spent during the current financial year. Therefore, ₹ 0.71 million allocated to the said ongoing project could not be spent during the current financial year.

Further, the Company, has transferred such unpent amount of ₹ 0.71 million related to the ongoing project to a special account with name 'Busy Infotech Pvt Ltd Unspent Corporate Social Responsibility Account FY 2022-23' and such amount shall be spent in pursuance of its obligation towards the ongoing project within a period of next three financial years from the date of such transfer.

On behalf of the Board
For **Busy Infotech Private Limited**

Sd/-
Brijesh Kumar Agrawal
Managing Director & CEO
DIN: 00191760

Sd/-
Mekin Maheshwari
Chairman-CSR Committee
DIN: 03621431

Place: Noida
Date: April 27, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Busy Infotech Private Limited Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Busy Infotech Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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 directors' report, but does not include the financial statements and 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 AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

OTHER MATTER

The financial statements of the Company for the year ended 31 March 2022 and the transition date opening balance sheet as at 1 April 2021 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the years ended 31 March 2022 and 31 March 2021 dated 11 May 2022 and 15 November 2021 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Company as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company does not have any pending litigations which would impact its financial position.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were 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, as disclosed in the Note 34 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 34 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been 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 (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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, no remuneration has been paid by the Company to any of its directors. Accordingly, provisions of Section 197 of the Act relating to remuneration to directors are not applicable. 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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Prince Sharma
Partner
Membership No.: 521307
ICAI UDIN:23521307BGYFUB7507
Place: Gurugram
Date: 27 April 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF BUSY INFOTECH PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2023

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both 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 are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is engaged in sale of accounting software and allied services. Hence, it does not hold any physical inventories. 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) 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 provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and other parties during the year. The Company has not made any investments in firms and limited liability partnership. The Company has granted loans to companies, in respect of which the requisite information is as below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.

(a) A. The Company does not have any subsidiary, associate or joint venture. Accordingly, clause 3(iii)(a) A of the Order is not applicable.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans as below:

Particulars	Amount (₹ Million)
Aggregate amount during the year - Others (Inter-corporate deposits)	195.00
Balance outstanding as at balance sheet date - Others (Inter-corporate deposits)	52.12

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the company.

(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 or advance in the nature of loan granted 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) According to the information and explanations given to us and on the basis of our examination of records, the Company has not given any loans or provided guarantees or securities as specified under section 185 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made. The Company has not provided security as specified under section 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products and services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident

Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which 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 wilful 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) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.

(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, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(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) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(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 its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(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 cash losses in the current and in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year and we have duly taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(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) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing project, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Prince Sharma
Partner
Membership No.: 521307
ICAI UDIN:23521307BGYFUB7507
Place: Gurugram
Date: 27 April 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF BUSY INFOTECH PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

OPINION

We have audited the internal financial controls with reference to financial statements of Busy Infotech Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Prince Sharma
Partner
Membership No.: 521307
ICAI UDIN:23521307BGYFUB7507
Place: Gurugram
Date: 27 April 2023

STANDALONE BALANCE SHEET

as at 31 March 2023

(Amount in INR millions,unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
ASSETS				
Non-current assets				
Property, plant and equipment	5A	7.66	8.65	4.60
Right-of-use assets	5B	-	2.71	3.61
Other Intangible assets	6	0.52	0.77	0.51
Financial assets				
(i) Loans	7	-	-	29.83
(ii) Others financial assets	7	-	88.62	106.06
Deferred tax assets (net)	24	21.75	54.97	39.72
Non-current tax assets (net)	17	16.58	9.97	8.81
Other Non-current assets	10	0.06	-	-
Total Non-current assets		**46.57**	**165.69**	**193.14**
Current assets				
Financial assets				
(i) Investments	7	754.91	443.52	278.62
(ii) Trade receivables	8	54.73	82.82	84.21
(iii) Cash and cash equivalents	9	47.47	45.36	25.37
(iv) Bank balances other than (iii) above	9	-	9.72	9.62
(v) Loans	7	52.12	31.60	49.34
(vi) Others financial assets	7	1.80	-	-
Other current assets	10	4.02	4.05	4.92
Total Current Assets		**915.05**	**617.07**	**452.08**
Total Assets		**961.62**	**782.76**	**645.22**
EQUITY AND LIABLITIES				
Equity				
Share capital	11	0.45	0.45	0.45
Other equity	12	582.41	473.66	395.13
Total Equity		**582.86**	**474.11**	**395.58**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Lease liabilities	14	-	2.30	3.18
Contract liabilities	16	51.11	42.93	1.03
Provisions	15	9.60	10.02	3.52
Total Non-current liabilities		**60.71**	**55.25**	**7.73**
Current liabilities				
Financial liabilities				
(i) Lease liabilities	14	-	0.88	0.73
(ii) Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises	13	1.07	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	12.91	15.66	15.70
iii) Other financial liabilities	14	55.34	30.79	37.59
Contract liabilities	16	221.60	178.57	157.64
Other current liabilities	16	16.93	23.89	23.04
Provisions	15	10.20	3.61	2.27
Current tax liabilities (net)		-	-	4.94
Total Current liabilities		**318.05**	**253.40**	**241.91**
Total Liabilities		**378.76**	**308.65**	**249.64**
Total Equity and Liabilities		**961.62**	**782.76**	**645.22**
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **For B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma
Partner
Membership No.: 521307

Place : Gurugram
Date : 27 April 2023

For and on behalf of the Board of Directors of
Busy Infotech Private Limited

Brijesh Kumar Agrawal
(Managing Director & CEO)
DIN: 00191760

Place : Noida
Date : 27 April 2023

Prateek Chandra
Director
DIN: 00356853

Place : Noida
Date : 27 April 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	Notes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
INCOME:			
Revenue from operations	18	433.06	353.75
Other income	19	38.35	29.87
Total income		**471.41**	**383.62**
EXPENSES:			
Employee benefits expense	20	218.31	175.06
Finance costs	21	0.31	0.40
Depreciation and amortisation expense	22	6.59	3.71
Other expenses	23	111.92	91.90
Total expenses		**337.13**	**271.07**
Profit before tax		**134.28**	**112.55**
Tax expense			
Current tax	24	-	45.14
Deferred tax	24	31.28	(14.21)
Total tax expense		**31.28**	**30.93**
Profit for the year		**103.00**	**81.62**
Other Comprehensive Income			
Items that will not be re-classified to profit or loss			
Re-measurements gains/(losses) on defined benefit plans		7.68	(4.13)
Income tax realting to items that will not be reclassified to profit or loss		(1.93)	1.04
Other comprehensive income / (loss) for the year, net of tax		**5.75**	**(3.09)**
Total comprehensive income for the year		**108.75**	**78.53**
Earnings per equity share	25		
Basic earnings per equity share (₹) - face value of ₹ 10 each		2,288.99	1,813.80
Diluted earnings per equity share (₹) - face value of ₹ 10 each		2,288.99	1,813.80
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **For B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma
Partner
Membership No.: 521307

Place : Gurugram
Date : 27 April 2023

For and on behalf of the Board of Directors of
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DIN: 00191760

Place : Noida
Date : 27 April 2023

Prateek Chandra
Director
DIN: 00356853

Place : Noida
Date : 27 April 2023

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

(A) EQUITY SHARE CAPITAL (REFER NOTE 11)

Equity shares of ₹ 10 each issued, subscribed and fully paid up	Number of shares	Amount
As at 1 April 2022	**45,000**	**0.45**
Changes in equity share capital during the year	-	-
As at 31 March 2023	**45,000**	**0.45**
As at 1 April 2021	**45,000**	**0.45**
Changes in equity share capital during the year	-	-
As at 31 March 2022	**45,000**	**0.45**

(B) OTHER EQUITY (REFER NOTE 12)

	Reserves and surplus		Total other equity
	General Reserves	Retained Earnings	
Balance as at 1 April 2022	**403.17**	**70.49**	**473.66**
Total comprehensive income for the year ended 31 March 2023			
Profit for the year	-	103.00	103.00
Other Comprehensive Income for the year	-	5.75	5.75
Total comprehensive income for the year	**-**	**108.75**	**108.75**
Balance as at 31 March 2023	**403.17**	**179.24**	**582.41**
Balance as at 1 April 2021 (Refer Note 4.4)	**403.17**	**(8.04)**	**395.13**
Total comprehensive income for the year ended 31 March 2022			
Profit for the year	-	81.62	81.62
Other Comprehensive loss for the year	-	(3.09)	(3.09)
Total comprehensive income for the year	**-**	**78.53**	**78.53**
Balance as at 31 March 2022 (Refer Note 4.4)	**403.17**	**70.49**	**473.66**

Other comprehensive income on remeasurement of defined employee benefit plans of ₹ 5.75 (net of tax) (previous year loss of ₹ 3.09 (net of tax) is recognised as a part of retained earnings for the year ended 31 March 2023 and 31 March 2022 respectively.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **For B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma
Partner
Membership No.: 521307

Place : Gurugram
Date : 27 April 2023

For and on behalf of the Board of Directors of
Busy Infotech Private Limited

Brijesh Kumar Agrawal
(Managing Director & CEO)
DIN: 00191760

Place : Noida
Date : 27 April 2023

Prateek Chandra
Director
DIN: 00356853

Place : Noida
Date : 27 April 2023

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	Notes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Profit before tax		**134.28**	**112.55**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	22	6.59	3.71
Interest income under the effective interest method			
- on bank deposits	19	(5.69)	(6.80)
- on corporate deposits and loans	19	(7.36)	(5.54)
Other Interest Income	19	-	(0.12)
Dividend Income	19	-	(0.07)
Gain on sale of Investments (net)	19	(5.06)	(6.57)
Gain on de-recognition of Right-of-use assets	19	(0.46)	-
Financial assets at FVTPL-net change in fair value			
- Mandatorily measured at FVTPL-others	19	(19.00)	(10.66)
Net gain on disposal of property, plant and equipment	19	(0.48)	-
Net loss on disposal of property, plant and equipment		-	0.05
Interest expense on lease liabilities	21	0.31	0.40
		103.13	**86.95**
Net Change in			
Trade receivables		28.09	1.39
Other financial assets		(1.40)	-
Other assets		0.03	0.88
Other financial liabilities		24.55	(6.80)
Trade payables		(1.69)	(0.03)
Contract liabilities		51.22	62.83
Provisions and other liabilities		8.46	4.54
Cash generated from operations		**212.39**	**149.76**
Income taxes paid (net)		(6.60)	(51.39)
Net cash generated from operating activities		**205.79**	**98.37**
Cash flows from investing activities:			
Proceeds from sale of property, plant and equipment		7.74	0.30
Purchase of property, plant and equipment, other Intangible assets		(11.70)	(7.44)
Proceeds from sale of Investments		725.17	-
Acquisition of other investments		(1,012.50)	(147.64)
Acquisition of Inter corporate deposits placed with financial institutions		(195.00)	-
Redemption of Inter-corporate deposits placed with financials institutions		176.84	47.56
Proceeds from maturity of bank deposits		97.95	17.33
Dividend Income from investment in equity instruments		-	0.07
Interest received		9.01	12.57
Net cash used in investing activities		**(202.49)**	**(77.25)**

STATEMENT OF CASH FLOWS
for the year ended 31 March 2023
(Amount in INR millions,unless otherwise stated)

	Notes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Cash flows from financing activities			
Interest paid on lease liabilities		(0.31)	(0.40)
Principal payment of lease liabilities		(0.88)	(0.73)
Net cash used in financing activities		**(1.19)**	**(1.13)**
Net Increase in cash and cash equivalents		**2.11**	**19.99**
Cash and cash equivalents at the beginning of the year	9	45.36	25.37
Cash and cash equivalents at the end the year	**9**	**47.47**	**45.36**

Notes:

1 Components of cash and cash equivalents:

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Balances with banks		
- On current accounts	5.76	32.89
- On bank deposits with original maturity of less than three months	41.71	12.25
Cash on hand	-	0.22
	47.47	**45.36**

Significant accounting policies 2

The statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **For B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma
Partner
Membership No.: 521307

Place : Gurugram
Date : 27 April 2023

For and on behalf of the Board of Directors of
Busy Infotech Private Limited

Brijesh Kumar Agrawal
(Managing Director & CEO)
DIN: 00191760

Place : Noida
Date : 27 April 2023

Prateek Chandra
Director
DIN: 00356853

Place : Noida
Date : 27 April 2023

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

1 CORPORATE INFORMATION

Busy Infotech Private Limited ('the Company') is a private limited company domiciled in India and was incorporated on August 12, 1997 under the provisions of Companies Act applicable in India. The registered office of the Company is at 1st Floor, 29 Daryaganj, Netaji Subhash Marg, New Delhi - 110002. The Company is a developer of accounting software 'Busy', an integrated business accounting and management software for Micro, Small & Medium Enterprises.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The financial statements for the year ended 31 March 2023 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ('Act').

The financial statements are approved for issue by the Company's Board of Directors on 27 April 2023.

Details of the Company's accounting policies, including changes thereto, are included in Note 2,3 and Note 4.

The Company's financial statements up to and for the year ended 31 March 2022 were prepared in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act 2013 ('Previous GAAP').

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 4.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value where Ind AS requires a different accounting treatment (refer accounting policy regarding financial instruments);
- net defined benefit (asset)/liability - Fair value of plan assets less present value of defined benefit obligations.

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.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest millions, unless otherwise indicated.

2.4 Summary of Significant accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods 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:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve Months after the reporting period, or
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

The operating cycle is the time between the acquisition of assets for processing and their realization 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 investment in mutual funds, equity instruments, bonds, debentures & market linked debentures 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 Statement are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements 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.

c) **Revenue from contract with customers**

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

The Company primarily earns revenue from the sale of software license product 'Busy' along with sale of Busy license subscription ('BLS') to software license customers. The Company also provides support and maintenance services, upgrades and add-ons services to its customers.

Sale of license

In arrangements for sale of software license and related services, the Company has applied the guidance of Ind AS 115, 'Revenue from Contract with Customers' by applying the revenue recognition criteria for each separately identifiable component of a single transaction. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes). The transaction price is allocated between the different performance obligations based on the fair value, i.e. the stand-alone price of such services applicable at the time of sale of new license

Revenue from license where the customer obtains a "right to use" the license is recognised at the time the license is made available to the customer.The performance obligation of the Company is satisfied at the point in time when the license is delivered and activated by the customer at which point

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

the revenue is recognised. The arrangement to deliver the software license has an element of BLS where the customer obtains the "right to access" and as such the revenue is recognised over the access period.

Sale of credits

Revenue from sale of credits are recognised as and when such credits are utilised by the customer. Upgrades provided to the customer are recognised as revenue on the date of activation of such upgrade as there are no unfulfilled performance obligation which remains after utilisation such credits for upgrades provided to the customer

Sale of subscription services

The performance obligation of the Company towards sale of subscription is evenly satisfied over the subscription period and the customers simultaneously receive and consume the benefits of these subscription during the underlying contract period.Consequently, revenue from sale of subscription is recognised rateably over the period of the respective subscription

Sale of services - Annual Maintenance Contract

The performance obligation of the Company towards sale of annual maintenance contract ('AMC') is evenly satisfied over the period of the AMC. Consequently, revenue from annual maintenance contract is recognised rateably over the period of the respective AMC period

Sale of services - Others

Revenue from sale of services other than AMC are recognised as and when such services are provided to the customer.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received.

The Company recognizes an onerous contract provision when the expected unavoidable costs of meeting the future obligations exceed the expected economic benefits to be received under a contract. Such provision, if any, is recorded in the period in which such losses become probable.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Revenue towards satisfaction of a performance obligation is measured at the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Volume discounts, or any other form of variable consideration is estimated using either the sum of probability weighted amounts in a range of possible consideration amounts (expected value), or the single most likely amount in a range of possible consideration amounts (most likely amount), depending on which method better predicts the amount of consideration realizable. Transaction price includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. Our estimates of variable consideration and determination of whether to include estimated amounts in the transaction price may involve judgment and are based largely on an assessment of our anticipated performance and all information that is reasonably available to us.

d) Recognition of Dividend Income, Interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- t he amortised cost of the financial liability.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

e) Property Plant and Equipments

i. *Recognition and Measurement*

Property, plant and equipment, capital work in progress are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Capital work in progress includes cost of property, plant and equipment under development as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date, are disclosed under capital work- in- progress.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss

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

ii. *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2021, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably

iv. *Depreciation*

Depreciation is calculated on a written down value basis using the rates arrived at based on the useful lives prescribed under Schedule II to Companies Act, 2013. The Company has used the following rates to provide depreciation on its Property, plant and equipment:

Asset	Management's estimate of useful life	Useful life as per Schedule II
Computers	3 years	3 years
Furniture and fittings	10 years	10 years
Office equipment	5 years	5 years
Motor Vehicles	8 years	8 years

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment individually costing ` 5,000 or less are depreciated at 100% in the year in which such assets are ready to use.

f) Other Intangible Assets

i. *Recognition and Measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses (if any). Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Advances paid towards the acquisition of intangible assets outstanding at each balance sheet date are classified as capital advances and cost of assets not ready for use at the balance sheet date, are disclosed under intangible assets under development.

ii. *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

iii. *Amortisation*

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss.

The estimated useful life is as follows:

- Softwares 3 years

iv. *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible assets as at 1 April 2021, measured as per the Previous GAAP, and use that carrying value as the deemed cost of Intangible assets.

g) Leases

The company's lease asset classes primarily consist of lease of buildings. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the company

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

h) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. For impairment testing, assets are grouped together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i) Taxes

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it related to items recognised in other comprehensive income.

Current 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 (loss) 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.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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 future taxable profits 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 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the

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year 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 (loss) 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.

j) Provisions, Contingent Liabilities & Contingent Assets 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. 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.

Where the company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

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.

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent Assets

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

k) Retirement & Other Employee Benefits Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured on undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

Post-employment obligations

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan for its employees i.e. gratuity. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling,

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excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest Expense or income

Other long-term employee benefit obligations

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting period- end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Share-based payment arrangements

Indiamart Intermesh Limited ('IIL' or the 'Holding Company') offers certain employees of the Company, share based payments in the form of "Share appreciation rights" (SARs) which is equity-settled share based payment arrangement. The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefit expense over the vesting period of the SARs. "Share based payment expense" represents reimbursement of cost to the Holding Company. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non- vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

l) Financial Instruments

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.

Initial Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is measured at:

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;

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- prepayment and extension features; and
- t erms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Company derecognises a financial asset when:

- t he contractual rights to the cash flows from the financial asset expire; or
- i t transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of Non-derivative financial assets

Financial instruments and contract assets

The Company recognises loss allowances for Expected Credit Loss (ECLs) on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- d ebt securities that are determined to have low credit risk at the reporting date; and
- o ther debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- t he debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 180 days past due.

Measurement of ECLs

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable or contract assets

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.

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),

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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':

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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.

- 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 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.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

m) Foreign currency transactions and translations

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,

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).

n) Earnings Per Share

Basic earnings per equity share are arrived at based on net profit or loss attributable to equity holders of the Company divided by the weighted average number of equity shares outstanding during the 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 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 of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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o) Cash and Cash Equivalents:

Cash and cash equivalents 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 change in value.

p) Segment reporting Identification of assets

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is engaged in the business of development and sale of accounting and business management software license "Busy'. Accordingly, the Company's business activity primarily falls within a single operating segment which has been identified as the reportable segment. The analysis of geographical segments is based on the areas in which customers are based.

Segment policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

q) Share Capital

Equity shares are classified as equity. Incremental costs directly attributable to the issuance of newshares or options are shown in equity as a deduction, net of tax, from the proceeds.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and accompanying notes, 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 year, 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) Defined benefit plans (gratuity benefit) (Note 15 and 2.4 (k))

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually or six months.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Useful life of assets of Property, Plant and Equipment (Note 5A and 2.4 (e))

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end.

c) Leases – Estimating the incremental borrowing rate (Note 5B and 2.4 (g))

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116.

The Company determines the lease term as the non-cancellable period of a lease, together with

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both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

d) Fair value measurement of financial instruments (Note 2.4 (l))

When the fair values of financial assets and 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. 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.

e) Taxes (Note 24 and 2.4 (i))

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 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 & budgets.

f) Impairment of Non Financial assets (Note 2.4 (h))

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

g) Determination of Transaction Price (Note 2.4 (c) and 18)

As per Ind AS 115, Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Basis Company's terms of the contract and its customary business practices with intermediaries and the end customer, the company applies judgement in determining the transaction price.

The Company has determined that the consideration to which it is entitled, using all relevant facts and circumstances available, is sale price at which the license is sold to the channel partner net off the incentive given to the channel partners.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

h) Provisions & Contigencies (Note 2.4 (j))

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below.

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Other amendments included in the notification does not have any significant impact on the financial statements.

4.1 EXPLANATION OF TRANSITION TO IND AS

a. Explanation of transition to Ind AS

As stated in note 2, the financial statements for the year ended 31 March 2023 are the first annual financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2022, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2 have been applied in preparing these financial statements for the year ended 31 March 2023 including the comparative information for the year ended 31 March 2022 and the opening Ind AS Balance Sheet on the date of transition i.e. 1 April 2021.

In preparing its Ind AS Balance Sheet as at 1 April 2021 and in presenting the comparative information for the

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

year ended 31 March 2022, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Exemptions availed and exceptions applied on first time adoption of Ind-AS 101

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions:

i. Optional exemptions availed

a) Business Combinations:

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition. If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations, and also applies Ind AS 110, Consolidated Financial Statements, from that same date.The Company has opted to restate business combinations,if any, on or after 1 April, 2021.

b) Carrying amount of Property, plant and equipment and Intangibles assets

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP as deemed cost for all the items of property, plant and equipment and Intangible assets.

c) Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements of paragraphs 9-11 of Ind AS 116 for determining whether a contract existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the contract).

The Company has elected to avail the above exemption.

d) Revenue

The company has applied Ind AS 115 'Revenue from contracts with customers' to contracts that are not completed on transition date. Further, the Company has applied full retrospective approach on transition date as prescribed by the standard.

ii. Mandatory exceptions

a) Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements,as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error.However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- fair valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.
- Determination of Transaction price
- Determination of incremental borrowing rate for measurement of lease liabilities and corresponding right of use assets

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable."

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

4 FIRST TIME ADOPTION OF IND AS (CONTINUED)

4.2 Reconciliation of equity as at 1 April 2021

	Notes	Opening Balance Sheet as at 1 April 2021			Balance Sheet as at 31 March 2022		
		Regrouped Previous GAAP*	Ind AS adjustments	Amount as per Ind AS	Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS
Assets							
Non Current Assets							
Property, Plant and Equipment		4.60	-	4.60	8.65	-	8.65
Right-of-use assets	4.5(b)	-	3.61	3.61	-	2.71	2.71
Other Intangible Assets		0.51	-	0.51	0.77	-	0.77
Financial Assets							
i) Loans		29.83	-	29.83	-	-	-
ii) Other financial assets		106.06		106.06	88.62		88.62
Deferred tax assets (net)	4.5(f)	1.49	38.23	39.72	5.03	49.94	54.97
Non-current tax assets (net)		8.81	-	8.81	9.97	-	9.97
Total non-current assets		**151.30**	**41.84**	**193.14**	**113.04**	**52.65**	**165.69**
Current Assets							
Financial Assets							
i) Investments	4.5(a)	265.77	12.85	278.62	420.01	23.51	443.52
ii) Trade receivables		84.21	-	84.21	82.82	-	82.82
iii) Cash and cash equivalents		25.37	-	25.37	45.36	-	45.36
iv) Bank balances other than (iii) above		9.62	-	9.62	9.72	-	9.72
v) Loans		49.34	-	49.34	31.60	-	31.60
Other current assets		4.92	-	4.92	4.05	-	4.05
Total current assets		**439.23**	**12.85**	**452.08**	**593.56**	**23.51**	**617.07**
Total assets		**590.53**	**54.69**	**645.22**	**706.60**	**76.16**	**782.76**

** The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.*

4.2 Reconciliation of equity as previously reported under previous GAAP to Ind AS (Continued)

	Notes to first time adoption	Opening Balance Sheet as at 1 April 2021			Balance Sheet as at 31 March 2022		
		Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS	Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS
Equity and liabilities							
Equity							
a) Share capital		0.45	-	0.45	0.45	-	0.45
b) Other equity	4.4	508.81	(113.68)	395.13	622.18	(148.52)	473.66
Total Equity		**509.26**	**(113.68)**	**395.58**	**622.63**	**(148.52)**	**474.11**
Liabilities							

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	Notes to first time adoption	Opening Balance Sheet as at 1 April 2021			Balance Sheet as at 31 March 2022		
		Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS	Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS
Non-Current Liabilities							
Financial liabilities							
i) Lease liabilities	4.5(b)	-	3.18	3.18	-	2.30	2.30
Contract liabilities	4.5(d)	-	1.03	1.03	-	42.93	42.93
Provisions	4.5(c)	-	3.52	3.52	10.02		10.02
Total non-current liabilities		**-**	**7.73**	**7.73**	**10.02**	**45.23**	**55.25**
Current Liabilities							
a) Financial liabilities							
i) Lease liabilities	4.5(b)	-	0.73	0.73	-	0.88	0.88
ii) Trade Payables							
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		15.70	-	15.70	15.66	-	15.66
iii) Other financial liabilities		37.59	-	37.59	30.79		30.79
Contract liabilities	4.5(d)	-	157.64	157.64	-	178.57	178.57
Other current liabilities		23.04		23.04	23.89		23.89
Provisions	4.5(c)	-	2.27	2.27	3.61		3.61
Current tax liabilities (net)		4.94	-	4.94	-	-	-
Total current liabilities		**81.27**	**160.64**	**241.91**	**73.95**	**179.45**	**253.40**
Total equity and liabilities		**590.53**	**54.69**	**645.22**	**706.60**	**76.16**	**782.76**

Note: The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

4.3 Reconciliation Statement of Profit and Loss as previously reported under previous GAAP to Ind AS for the year ended March 31, 2022

	Regrouped Previous GAAP*	Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS
Income				
Revenue from operations	4.5(d)	416.58	(62.83)	353.75
Other Income	4.5(a)	19.21	10.66	29.87
Total Income		**435.79**	**(52.17)**	**383.62**
EXPENSES				
Employee benefits expense	4.5(c)	184.98	(9.92)	175.06
Finance costs	4.5(b)		0.40	0.40
Depreciation and amortisation expense	4.5(b)	2.81	0.90	3.71
Other expenses	4.5(b) & (e)	90.53	1.37	91.90
Total Expenses		**278.32**	**(7.25)**	**271.07**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	Regrouped Previous GAAP*	Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS
Profit before tax		157.47	(44.92)	112.55
Tax expense				
Current tax		45.14	-	45.14
Deferred tax	4.5(f)	(3.54)	(10.67)	(14.21)
Total tax expense		**41.60**	**(10.67)**	**30.93**
Profit for the year		**115.87**	**(34.25)**	**81.62**
Other Comprehensive Income				
Items that will not be re-classified to profit or loss				
Re-measurements gains/(losses) on defined benefit plans	4.5(c)		(4.13)	(4.13)
Income tax realting to items that will not be reclassified to profit or loss	4.5(f)		1.04	1.04
Other comprehensive income / (loss) for the Period, net of tax		**-**	**(3.09)**	**(3.09)**
Total Comprehensive income for the year		**115.87**	**(37.34)**	**78.53**
Earnings per equity share				
[nominal value of INR 10 per share (Previous year INR 10 per share)]				
- Basic		2,574.88		1,813.80
- Diluted		2,574.88		1,813.80

** The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.*

4.4 Reconciliation of total equity as at 31 March 2022 and 1 April 2021

	Notes to first time adoption	As at 31 March 2022	As at 1 April 2021
Total equity (shareholder's funds) as per previous GAAP		622.63	509.26
Adjustments:			
Opening retained earning adjustments			
Impact of Ind AS 115 on Revenue from contract with Customers	4.5(d)	(221.50)	(158.67)
Impact of change in Fair valuation of investments	4.5(a)	23.51	12.85
Impact of Ind AS 116 - Leases	4.5(b)	(0.47)	(0.30)
Employee benefits obligations - Gratuity and leave encashment	4.5(c)	-	(5.79)
CSR Expenditure	4.5(e)	-	-
Tax impact on above adjustments	4.5(f)	49.94	38.23
Total Adjustments		(148.52)	(113.68)
Total equity as per Ind AS		**474.11**	**395.58**

4.5 Notes to reconciliations between Previous GAAP and Ind AS

a) Fair valuation of investments

Under previous GAAP, current investment in mutual funds & equity shares were carried in the financial statements at lower of cost and fair value at each reporting date. Under the Ind AS, investments in mutual funds, equity shares, bonds, debentures & market linked debentures are measured at fair value through profit or loss at each reporting date. The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below:

NOTES TO FINANCIAL STATEMENTS

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(Amount in INR millions,unless otherwise stated)

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	(12.85)	(10.66)	(23.51)
Balance sheet			
- Other equity	(12.85)	(10.66)	(23.51)
- Investments	12.85	10.66	23.51
Statement of Profit and Loss			
-Other income		10.66	-

b) Leases

Under Ind AS, all lease contracts, with limited exceptions for short-term and low value assets, are recognised in the financial statements by way of right of use assets and corresponding lease liabilities. This resulted in recognition of "Right-of-use assets (ROU)" and a corresponding "lease liability". The rental expenses recognised in the statement of profit and loss for the year ended March 31, 2022 under previous GAAP has been replaced by the recognition of depreciation expense on ROU assets and interest expense on lease liability. The related impact on Other equity, Balance sheet and Statement of profit and loss is given below:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	(0.30)	(0.17)	(0.47)
Balance sheet			
- Other equity	(0.30)	(0.17)	(0.47)
- Right-of- use asset	3.61	(0.90)	2.71
- Lease liabilities- Non Current	(3.18)	0.88	(2.30)
- Lease liabilities- Current	(0.73)	(0.15)	(0.88)
Statement of Profit and Loss			
-Depreciation and amortisation expense		0.90	
-Finance cost		0.40	
-Other expenses		(1.13)	

c) Remeasurement of net defined benefit liability

Under previous GAAP, the company had recogised liability for gratuity and leave encashment as expenses under employee benefit expenses basis its internal evaluation till 31 March 2021 however, such liabilities were accounted basis actuarial valuation in the year ended 31 March 2022. Pursuant to adoption of Ind AS, the company has recorded the liability for gratuity and leave encashment as per actuarial valuation as of 1 April 2021 and 31 March 2022. The actuarial gain/ losses arising on remeasurement of net defined benefit liability has been recognised under other comprehensive income. The related impact on Balance Sheet, Other Equity and Statement of profit and loss is given below:

Impact of Ind AS adjustments:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	(5.79)	(5.79)	-
Balance sheet			
- Other equity	(5.79)	-	-
- Non- Current Provision for gratuity	3.52	-	-
- Current Provision for gratuity	0.64	-	-
- Current Provision for leave encashment	1.63	-	-
Statement of Profit and Loss			
- Employee benefit expenses	-	(9.92)	-
- Re-measurement gains/(losses) on defined benefit plans	-	4.13	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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d) Revenue from contract with Customers

Under the previous GAAP, the Company accounted for the revenue from sale of license when it had transferred the significant risks and rewards to the customer. The corresponding trade discount given to the customer was accounted under other expenses. Under Ind AS, The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition.

Under Ind AS 115, revenue from sale of license is recognised when there are no unfullfilled performance obligation on part of the company which is when the software is purchased and activated by the customer. The Company has identified support service as distinct performance obligation by applying the principles of Ind AS 115 which results in recognising revenue from support service as seperate revenue item from license sale. Revenue for support and subscription services is recognised rateably over the underlying period. Revenue from sale of credits has been recognised at time of utilisation of credits. On transition date, the above adjustments resulted in reversal of revenue from operations recognized under the previous GAAP. The corresponding discount given by the company to its customers during the year ended 31 March 2022 was also netted off from revenue as per Ind AS 115. The related impact on these adjustments Other equity, Balance sheet and Statement of profit and loss is given below:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	158.67	62.83	221.50
Balance sheet			
- Other equity	158.67	62.83	221.50
Contract liabilities			
- Deferred Revenue Non Current	(1.03)	(41.90)	(42.93)
- Deferred Revenue Current	(157.64)	(20.92)	(178.57)
Statement of Profit and Loss			
- Revenue from operations		62.83	

e) Correction of errors

During the year ended 31 March 2022, the company accounted CSR Expenses directly under reserve & surplus in its financial statements. The CSR expenditure was accounted as an expense in the financial statements prepared under Ind AS.The related impact on Balance Sheet, Other Equity and Statement of profit and loss is given below:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	-	-	-
Balance sheet			
- Other equity	-	(2.50)	-
Statement of Profit and Loss			
- CSR Expenditure	-	2.50	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

f) The above changes (decreased) / increased the deferred tax liability as follows based on tax rate of 25.17 (1 April 2021: 25.17) percent:

	As at 31 March 2022	As at 1 April 2021
Deferred tax liability on:		
Fair value of investments (Note 4.5 (a))	(5.92)	(3.23)
Right of use assets (Note 4.5 (b))	(0.68)	(0.91)
Deferred tax assets on:		
Unwinding of Lease obligations (Note 4.5 (b))	0.80	0.98
Revenue from contract with Customers (Note 4.5 (d)	55.74	39.93
Remeasurement of net defined benefit liability (Note 4.5 (c)	-	1.46
	49.94	**38.23**

Statement of Profit and Loss

	For the year ended March 22
Deferred tax liability on:	
Fair value of investments (Note 4.5 (a))	(2.68)
Right of use assets (Note 4.5 (b))	0.23
Deferred tax assets on:	
Unwinding of Lease obligations (Note 4.5 (b))	(0.18)
Revenue from contract with Customers (Note 4.5 (d))	15.80
Remeasurement of net defined benefit liability (Note 4.5 (c))	(2.50)
	10.67
Other Comprehensive Income/(loss)	
Income tax realting to items that will not be reclassified to profit or loss	1.04
	11.71

4.6 Notes to reconciliations between Previous GAAP and Ind AS

(a) Reconciliation of cash flows

	Regrouped Previous GAAP*	Ind AS Adjustments	Ind AS
For the year ended 31 March 2022			
Net cash generated from operating activities	97.24	1.13	98.37
Net cash used in investing activities	(77.25)		(77.25)
Net cash used in financing activities	-	(1.13)	(1.13)
Net increase in cash and cash equivalents	**19.99**	**-**	**19.99**
Cash and cash equivalents as at 31 March 2021	25.37		25.37
Cash and cash equivalents as at 31 March 2022	45.36		45.36

**The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note*

NOTES TO FINANCIAL STATEMENTS

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(Amount in INR millions,unless otherwise stated)

5A PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixture	Motor Vehicles	Office equipment	Computers	Total
Gross carrying amount					
Cost or deemed cost as at 1 April 2021	**2.01**	**0.82**	**0.94**	**0.83**	**4.60**
Additions for the year	0.02	4.51	0.61	1.38	6.52
Disposals for the year	-	(0.51)	-	-	(0.51)
As at 31 March 2022	**2.03**	**4.82**	**1.55**	**2.21**	**10.61**
Additions for the year	-	-	0.07	11.63	11.70
Disposals for the year	(2.03)	(4.82)	(1.56)	(0.76)	(9.17)
As at 31 March 2023	**-**	**-**	**0.06**	**13.08**	**13.14**
Accumulated depreciation					
As at 1 April 2021					
Charge for the year	0.49	0.61	0.42	0.59	2.11
Disposals during the year	-	0.15	-	-	0.15
As at 31 March 2022	**0.49**	**0.46**	**0.42**	**0.59**	**1.96**
Charge for the period	0.15	0.01	0.16	5.11	5.43
Disposals during the period	(0.64)	(0.47)	(0.57)	(0.23)	(1.91)
As at 31 March 2023	**-**	**-**	**0.01**	**5.47**	**5.48**
Net book value					
As at 1 April 2021	**2.01**	**0.82**	**0.94**	**0.83**	**4.60**
As at 31 March 2022	**1.54**	**4.36**	**1.13**	**1.62**	**8.65**
As at 31 March 2023	**-**	**-**	**0.05**	**7.61**	**7.66**

5B RIGHT-OF-USE ASSETS

	Buildings
Gross carrying amount	
As at 1 April 2021	**3.61**
Additions for the year	-
Disposals for the year	-
As at 31 March 2022	**3.61**
Additions for the year	-
Disposals for the year	(3.61)
As at 31 March 2023	**-**
Accumulated amortisation	
As at 1 April 2021	**-**
Depreciation for the year	0.90
Disposals for the year	-
As at 31 March 2022	**0.90**
Depreciation for the year	0.90
Disposals for the year	(1.81)
As at 31 March 2023	**-**
Net Book Value	
As at 1 April 2021	**3.61**
As at 31 March 2022	**2.71**
As at 31 March 2023	**-**

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The company has elected to apply modified retrospective approach wherein the lease liability is measured based on the remaining lease payments discounted using the incremental borrowing rate as of the date of initial application. The ROU assets is at its carrying amount of IND AS 116 had been applied since the commencement date by using incremental borrowing rate as at date of transition

At adoption date, lessee would record the ROU asset and lease liability with the difference between the ROU and lease liability was recognised in retained earnings as of 1st April 2021

The Company incurred ₹ 8.63 for the year ended 31 March 2023 (31 March 2022: ₹ 7.87) , towards expenses relating to short-term leases.

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities as at year end

	As at March 31, 2023	As at March 31, 2022
Within one year	-	1.19
Within one - two years	-	1.25
Within two - three years	-	1.31
Total lease payments	**-**	**3.75**

The reconciliation of lease liabilities is as follows:

	As at March 31, 2023	As at March 31, 2022
Opening balance	3.18	3.91
Amounts recognized in statement of profit and loss as interest expense	0.31	0.40
Payment of lease liabilities	(1.19)	(1.13)
Derecognition	(2.30)	-
Balance as at period end (Refer Note 14)	**-**	**3.18**

Amounts recognised in profit or loss

	As at March 31, 2023	As at March 31, 2022
Interest expense on lease liabilities	0.31	0.40
Expenses relating to short-term leases	8.63	7.87
Total	**8.94**	**8.27**

Amounts recognised in statement of cash flows

	As at March 31, 2023	As at March 31, 2022
Total cash outflow for leases	(1.19)	(1.13)
	(1.19)	**(1.13)**

NOTES TO FINANCIAL STATEMENTS

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6 OTHER INTANGIBLE ASSETS

	Software	Total
Gross carrying amount		
Deemed cost as at 1 April 2021	**0.51**	**0.51**
Additions for the year	0.92	0.92
Disposals for the year	-	-
As at 31 March 2022	**1.43**	**1.43**
Additions for the year		
Disposals for the year		
As at 31 March 2023	**1.43**	**1.43**
Accumulated Amortisation		
As at 1 April 2021	**-**	**-**
Amortisation for the year	0.66	0.66
As at 31 March 2022	**0.66**	**0.66**
Amortisation for the year	0.25	0.25
As at 31 March 2023	**0.91**	**0.91**
Net book value		
As at 1 April 2021	**0.51**	**0.51**
As at 31 March 2022	**0.77**	**0.77**
As at 31 March 2023	**0.52**	**0.52**

7 (i) Financial assets

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
i) Investments			
Current			
Investment in equity instruments at FVTPL	-	-	13.40
Investment in mutual funds at FVTPL	508.33	443.52	265.22
Investment in bonds and debentures at FVTPL	246.58	-	-
	754.91	**443.52**	**278.62**

Current investments

	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	No. of shares/ units	Amount	No. of shares/ units	Amount	No. of shares/ units	Amount
Investment in equity instruments - Quoted (measured mandatorily at Fair value through profit and Loss)						
Aarti Industries Ltd. (1 April 2021 : Face value ₹ 5 each, Fully paid-up)	-	-	-	-	505	0.66
APL Apollo Tubes Ltd.(1 April 2021 : Face value ₹ 2 each, Fully paid-up)	-	-	-	-	230	0.32
Asian Paints Ltd. (1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	205	0.52
Astral Poly Technik Ltd. 1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	418	0.68

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	No. of shares/ units	Amount	No. of shares/ units	Amount	No. of shares/ units	Amount
AU Small Finance Bank Ltd.(1 April 2021 : Face value ₹ 10 each, Fully paid-up)	-	-	-	-	663	0.81
Bajaj Finance Ltd.(1 April 2021 : Face value ₹ 2 each, Fully paid-up)	-	-	-	-	180	0.93
Bajaj Finserv Ltd. (1 April 2021 : Face value ₹ 10 each, Fully paid-up)	-	-	-	-	93	0.90
Britannia Industries Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	127	0.46
Cholamandalam Investment and Finanace Company Ltd.(1 April 2021 : Face value ₹ 2 each, Fully paid-up)	-	-	-	-	1,431	0.80
Dabur India Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	908	0.49
Divis Laboratories Ltd.(1 April 2021 : Face value ₹ 2 each, Fully paid-up)	-	-	-	-	224	0.81
Eicher Motors Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	180	0.47
Havells India Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	602	0.63
Kotak Mahindra Bak Ltd.(1 April 2021 : Face value ₹ 5 each, Fully paid-up)	-	-	-	-	349	0.61
P I Industries Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	326	0.73
Page Industries Ltd.(1 April 2021 : Face value ₹ 10 each, Fully paid-up)	-	-	-	-	18	0.55
Pidilite Industries Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	212	0.38
Reliance Industries Ltd.(1 April 2021 : Face value ₹ 10 each, Fully paid-up)	-	-	-	-	277	0.55
Shree Cements Ltd.(1 April 2021 : Face value ₹ 10 each, Fully paid-up)	-	-	-	-	19	0.56
Tata Consultancy Services Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	174	0.55
Titan Company Ltd.(1 April 2021 : Face value ₹ 1 each, Fully paid-up)	-	-	-	-	312	0.49
Torrent Pharmaceuticals Ltd.(1 April 2021 : Face value ₹ 5 each, Fully paid-up)	-	-	-	-	198	0.50
Total		**-**		**-**		**13.40**
Investment in mutual funds - Quoted (mandatorily at Fair value through profit and Loss)						
ABSL Crisil AAA Jun 2023 Index Fund	3,999,365	42.03	3,999,365	40.15		-
ABSL Arbitrage Fund - Growth	-	-	930,405	20.10		-
Edelweiss Arbitrage Fund - Growth	-	-	1,725,826	27.12	1,076,773	16.28
HDFC Banking And PSU Debit Fund	-	-	281,673	5.25	281,673	5.02
HDFC Corporate Bond Fund	-	-	200,644	5.24	200,644	5.00
HDFC Credit Risk Debt Fund - Growth	-	-	524,501	10.21		-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	No. of shares/ units	Amount	No. of shares/ units	Amount	No. of shares/ units	Amount
HDFC Medium Term Debt Fund	-	-	457,755	20.94	231,490	10.03
HDFC Medium Term Debt Fund - Growth	-	-	-	-		-
HDFC Short Term Debt Fund - Growth	-	-	-	-		-
HDFC Short Term Debt Fund - Growth	104,887	2.81	503,844	12.95	104,887	2.58
ICICI Prudential Banking & PSU Debt	412,300	11.36	412,300	10.78	412,300	10.30
ICICI Prudential Corporate Bond Growth	664,641	16.60	664,641	15.72	664,641	15.08
ICICI Prudential Equity Arbitrage Fund	-	-	1,108,618	30.86		-
ICICI Prudential Liquid D Plan - Growth	-	-	32,098	10.05		-
ICICI Prudential Short Term Fund -Growth	361,528	18.27	488,807	23.36	488,807	22.42
IDFC Banking & PSU Debt Fund	1,205,754	25.19	1,205,754	24.13	1,205,754	23.19
IDFC Bond Fund Short Term Plan - Growth	-	-	115,739	5.38	115,739	5.17
IDFC Corporate Bond Fund Growth	-	-	1,007,188	15.85	1,007,188	15.13
Kotak Banking And PSU Debit Fund	-	-	99,592	5.26	99,592	5.01
Kotak Bond Short Term Fund	-	-	844,872	35.98	844,872	34.52
Kotak Equity Arbitrage Fund - Growth	-	-	1,206,578	36.45	529,569	15.39
Kotak Low Duration Fund	-	-	-	-	2,213	5.82
SBI Banking & PSU Debit Fund	-	-	11,026	29.42	4,168	10.22
SBI Banking & PSU Fund	-	-	4,168	10.62	11,026	28.16
SBI Corporate Bond Fund	4,542,601	60.54	2,519,354	32.18	2,519,354	30.77
SBI Liquid Fund-Direct Plan-Growth	7,127	25.11	-	-		-
SBI Savings Fund	-	-	75,292	2.68	75,292	2.57
ABSL Corporate Bond Fund Direct Growth	718,127	68.66	-	-		-
Tata Arbitrage Fund	-	-	226,697	2.65	226,697	2.56
Tata Arbitrage Fund	-	-	871,135	10.19		-
Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund Direct Growth	4,954,461	51.86	-	-		-
Kotak Nifty SDL APR 2027 top 12 Equal Weight Index Fund Direct Plan - Growth	4,954,908	51.37	-	-		-
Kotak Corporate Bond Direct Growth	20,417	66.89	-	-		-
Aditya Birla Sun Life Overnight Fund - Growth-Direct Plan	-	-	-	-		-
Bharat Bond FOF - April 2023 - Direct Plan Growth	5,534,867	67.64	-	-		-
Total		**508.33**		**443.52**		**265.22**
Investment in bonds and debentures-Quoted (mandatorily at Fair value through profit and Loss)						
7.75% SBI Sept 2027	5	51.91	-	-	-	-
M&M Finance ZCB 21 May 2025	200	42.45	-	-	-	-
Tata Cleantech MLD 30 May 25	50	50.99	-	-	-	-
4.71 HDFC Sep2023	100	101.23				
Total		**246.58**		**-**		**-**
Total current Investments		**754.91**		**443.52**		**278.62**
Aggregate book value of quoted investments		**754.91**		**443.52**		**278.62**
Aggregate market value of quoted investments		**754.91**		**443.52**		**278.62**
Aggregate carrying value of unquoted investments		**-**		**-**		**-**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

ii) Loans (measured at amortised cost)

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Non-current			
Considered good- Unsecured			
Inter-corporate deposits			
-Fine Touch Marketing Pvt Ltd Loan @9%	-	-	19.24
-S S Pranav Steels Pvt Ltd Loan @9%	-	-	10.59
	-	**-**	**29.83**
Current			
Considered good- Unsecured			
Inter-corporate deposits*			
-BLD Steels Pvt Ltd Loan @9%	-	10.81	10.57
-AKNB Infracon Pvt Ltd Loan @7%	-	-	21.08
-Fine Touch Marketing Pvt Ltd Loan @9%	-	20.79	-
-RPL Buildcon Pvt Ltd Loan @7%	-	-	10.65
-KRR Holdings & Industries Pvt Ltd @9%	-	-	7.04
- Bajaj Finance Limited	52.12	-	-
	52.12	**31.60**	**49.34**

Notes:

** Inter-corporate deposits yield fixed interest rate and are placed with financial institutions and other parties, who are authorized to accept and use such inter-corporate deposits as per regulations applicable to them. Inter-corporate deposits are repayable as per the stipulated terms of the arrangement which usually ranges from 6 months to 15 months.*

(iii) Other Financial Assets (measured at amortised cost)

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Non-current (unsecured, considered good unless stated otherwise)			
Security deposits	-	0.40	0.49
Deposits with banks			
- In fixed deposits with maturity more than 12 months	-	88.22	105.57
	-	**88.62**	**106.06**
Current (unsecured, considered good unless stated otherwise)			
Security deposits	1.80	-	-
	1.80	**-**	**-**

8 TRADE RECEIVABLES

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Unsecured, considered good unless stated otherwise			
Trade receivables*	54.73	82.82	84.21
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	-	-	-
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
Total Trade Receivables	**-**	**-**	**-**
Less: Loss allowance	-	-	-
Net Trade receivables	**-**	**-**	**-**
Total	**54.73**	**82.82**	**84.21**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

Of the above, trade receivables from related parties are as below:

Trade receivables due from related parties

Loss allowance -

Net trade receivables are as follows

Notes:

a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

b) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

As at 31 March 2023

	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	-	53.32	1.39	0.02	0.00	-	-	54.73
Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-

As at 31 March 2022

	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	-	78.08	4.20	0.43	0.11	-	-	82.82
Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-

As at 1st April 2021

	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	-	77.68	6.30	0.09	0.14	-	-	84.21
Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

9 (i) Cash and bank balances

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Cash and cash equivalents			
Balances with banks :			
- On current accounts	5.76	32.89	25.09
- In fixed deposits with maturity of less than 3 months	41.71	12.25	-
Cash in hand	-	0.22	0.28
Total Cash and cash equivalents	**47.47**	**45.36**	**25.37**

(ii) Bank balances other than cash and cash equivalents

		As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
(i)	Deposits with banks			
-	In fixed deposits with maturity of more than 3 months and less than 12 months	-	9.72	9.62
		-	**9.72**	**9.62**

10 OTHER ASSETS

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Non-current (unsecured, considered good unless stated otherwise)			
Prepaid expenses	0.06	-	-
Total	**0.06**	**-**	**-**

Current (unsecured, considered good unless stated otherwise)

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Balance with government authorities	-	-	0.34
Prepaid expenses	3.12	1.58	1.22
Advances to vendors	0.09	0.36	1.37
Advances to employees	0.81	1.00	0.85
Others	-	1.11	1.14
Total	**4.02**	**4.05**	**4.92**

11 EQUITY SHARE CAPITAL

	As at March 31, 2023		As at March 31, 2022		As at 1 April 2021	
	No. of shares	Value	No. of shares	Value	No. of shares	Value
Authorised share capital	1,000,000	10.00	1,000,000	10.00	100,000	1.00
(Equity shares of Re. 10/- each with voting rights)						
Issued, subscribed & fully paid up	45,000	0.45	45,000	0.45	45,000	0.45
(Equity shares of Re. 10/-each fully paid up with voting rights)						
	45,000	**0.45**	**45,000**	**0.45**	**45,000**	**0.45**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

Notes:

(a) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:

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

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Value	No. of shares	Value
Equity shares outstanding at the beginning of the year	45,000	0.45	45,000	0.45
Equity shares outstanding at the end of the year	45,000	0.45	45,000	0.45

(c) Shares held by holding company/ promotors:

	As at March 31, 2023			As at March 31, 2022			As at 1 April 2021	
	Number of shares held	% Holding in that class of shares	% Change during the year	Number of shares held	% Holding in that class of shares	% Change during the year	Number of shares held	% Holding in that class of shares
Equity shares of Re.10/- each fully paid up								
Indiamart Intermesh Ltd.(One share held by Dinesh Chandra Agarwal (Nominee of Indiamart Intermesh Ltd.)	45,000	100.00%	100.00%	-	-	-	-	-
Dinesh Kumar Gupta	-	-	-100.00%	17,400	38.67%	-	17,400	38.67%
Mukesh Gupta	-	-	-100.00%	5,000	11.11%	-	5,000	11.11%
Swati Gupta	-	-	-100.00%	5,000	11.11%	-	5,000	11.11%
Rajesh Gupta	-	-	-100.00%	17,500	38.89%	-	17,500	38.89%
Harish Chander	-	-	-100.00%	100	0.22%	-	100	0.22%

(d) Particulars of shareholders holding more than 5% of total number of equity shares:

	As at March 31, 2023		As at March 31, 2022		As at 1 April 2021	
	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares
Equity shares of Re.10/- each fully paid up						
Indiamart Intermesh Ltd.	44,999	100.00%	-	0.00%	-	0.00%
Dinesh Kumar Gupta	-	0.00%	17,400	38.67%	17,400	38.67%
Mukesh Gupta	-	0.00%	5,000	11.11%	5,000	11.11%
Swati Gupta	-	0.00%	5,000	11.11%	5,000	11.11%
Rajesh Gupta	-	0.00%	17,500	38.89%	17,500	38.89%

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

In the current year, IndiaMart InterMesh Limited ('IndiaMart') had entered into share purchase agreement dated April 06, 2022 with Mr. Dinesh Kumar Gupta, Mr. Mukesh Gupta, Ms. Swati Gupta, Mr. Rajesh Gupta and Mr. Harish Chander, erstwhile shareholders of the Company. Pursuant to the share purchase agreement, IndiaMart has acquired entire shareholding of the Company from the above stated erstwhile shareholders and consequently, the Company has become wholly owned subsidiary of India Mart from such date.

12 OTHER EQUITY

	As at March 31, 2023	As at March 31, 2022
General Reserve		
At the commencement of the year	403.17	403.17
At the end of the year	**403.17**	**403.17**
Retained earnings		
At the commencement of the year	70.49	(8.04)
Add: Profit for the year	103.00	81.62
Add: Other Comprehensive Income for the year	5.75	(3.09)
At the end of the year	**179.24**	**70.49**
Total other equity	**582.41**	**473.66**

Nature and purpose of reserves and surplus:

a) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.

b) Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company, and re-measurement gains/losses on defined benefit plans.

13 TRADE PAYABLES

		As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
(a)	Total outstanding dues of micro enterprises and small enterprises	1.07	-	-
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	12.91	15.66	15.70
		13.98	**15.66**	**15.70**

Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

This information has been determined to the extent such parties have been identified on the basis of information available with the Company

		As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
(a)	Principal amount remaining unpaid to any supplier as at the end of the year.	1.07	-	-
	Interest due thereon remaining unpaid to any supplier as at the end of the year.	-	-	-
(b)	Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-	-
(c)	Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
(d)	The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(e)	The amount of further interest remaining due and payable even in succeding year, until such date when the interest dues as above are actualy paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-	-
		1.07	**-**	**-**

Trade Payable Aging Schedule

		Unbilled Dues	Trade Payables which are not due	Outstanding for following periods from due dates of payments as at 31 March 2023				Total
				Less than 1 Year	1-2 years	2-3 years	More than 3 yars	
(i)	MSME*	-	1.07	-	-	-	-	1.07
(ii)	Others	10.42	2.49	-	-	-	-	12.91
(iii)	Disputed -MSME*	-	-	-	-	-	-	-
(iv)	Disputed -Others	-	-	-	-	-	-	-

		Unbilled Dues	Trade Payables which are not due	Outstanding for following periods from due dates of payments as at 31 March 2022				Total
				Less than 1 Year	1-2 years	2-3 years	More than 3 yars	
(i)	MSME*	-	-	-	-	-	-	-
(ii)	Others	14.26	1.40	-	-	-	-	15.66
(iii)	Disputed -MSME*	-	-	-	-	-	-	-
(iv)	Disputed -Others	-	-	-	-	-	-	-

		Unbilled Dues	Trade Payables which are not due	Outstanding for following periods from due dates of payments as at 1 Apri 2021				Total
				Less than 1 Year	1-2 years	2-3 years	More than 3 yars	
(i)	MSME*	-	-	-	-	-	-	-
(ii)	Others	-	15.70	-	-	-	-	15.70
(iii)	Disputed -MSME*	-	-	-	-	-	-	-
(iv)	Disputed -Others	-	-	-	-	-	-	-

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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

14 LEASE AND OTHER FINANCIAL LIABLITIES

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Lease liabilities (Refer Note 5B)			
Current	-	0.88	0.73
Non Current	-	2.30	3.18
Total	**-**	**3.18**	**3.91**
Other financial liabilities			
Current			
Payable to employees	29.28	8.85	17.31
Others	0.59	2.50	4.20
Payable to the holding company (refer note 29)	3.15	-	-
Payable to dealers	22.32	19.44	16.08
Total	**55.34**	**30.79**	**37.59**

15 PROVISIONS

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Non-Current			
Provision for employee benefits*			
Provision for gratuity	9.60	10.02	3.52
Total	**9.60**	**10.02**	**3.52**
Current			
Provision for employee benefits*			
Provision for gratuity	2.76	1.34	0.64
Provision for leave encashment	7.44	2.27	1.63
Total	**10.20**	**3.61**	**2.27**

**Refer Note 26*

16 CONTRACT AND OTHER LIABLITIES

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Contract liabilities*			
Non-current			
Deferred revenue	51.11	42.93	1.03
	51.11	**42.93**	**1.03**
Current			
Deferred revenue	178.09	92.93	78.61
Advance from customers	43.51	85.64	79.03
	221.60	**178.57**	**157.64**
Total	**272.71**	**221.50**	**158.67**
Other liabilities-Current			
Statutory dues			
Tax deducted at source payable	2.02	7.29	6.24
GST & PF & PT payable	10.81	14.75	12.24
Other advances	4.10	1.85	4.56
Total	**16.93**	**23.89**	**23.04**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

17 INCOME TAX ASSETS (NET)

	As at March 31, 2023	As at March 31, 2022	As at 1 April 2021
Income tax assets (net of provisions)			
Non current			
Income tax assets	16.58	9.97	8.81
Less: Provision for income tax	-	-	-
	16.58	**9.97**	**8.81**

18 REVENUE FROM OPERATIONS

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from sale of accouting software and allied services	433.06	353.75
Total	**433.06**	**353.75**

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

	As at March 31, 2023		As at March 31, 2022	
	Less than 12 months	More than 12 Months	Less than 12 months	More than 12 Months
Accouting software and allied services	221.60	51.11	178.57	42.93
	221.60	**51.11**	**178.57**	**42.93**

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2023 and 31 March 2022.

19 OTHER INCOME

	For the year ended 31 March 2023	For the year ended 31 March 2022
Gain on sale of Investments (net)	5.06	6.57
Interest income under the effective interest method		
- on bank deposits	5.69	6.80
- on corporate deposits and loans	7.36	5.54
Other Interest Income	-	0.12
Dividend Income from investment in equity instruments	-	0.07
Financial assets at FVTPL-net change in fair value		
- Mandatorily measured at FVTPL-others	19.00	10.66
Gain on de-recognition of Right-of-use assets	0.46	-
Net gain on disposal of property, plant and equipment	0.48	-
Miscellaneous Income	0.30	0.11
Total	**38.35**	**29.87**

20 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	199.33	164.21
Contribution to provident and other funds	5.49	3.81
Gratuity expense	5.45	3.06
Share based payment to employees (refer note 32)	3.15	-
Staff welfare expenses	4.89	3.98
Total	**218.31**	**175.06**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

21 FINANCE COSTS

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on lease liabilities	0.31	0.40
Total	**0.31**	**0.40**

22 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (Refer note 5A)	5.44	2.12
Depreciation of Right-of-use assets (Refer note 5B)	0.90	0.93
Amortisation of intangible assets (Refer note 6)	0.25	0.66
Total	**6.59**	**3.71**

23 OTHER EXPENSES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Repairs and maintenance:	0.91	2.08
Legal and professional fees	31.46	8.07
Advertisement expenses	4.28	17.69
Commission on sales	12.43	10.01
Sales promotion expenses	4.96	14.36
Power & fuel	1.23	1.41
Telephone Expenses	0.84	0.69
Rent	8.63	7.87
Travelling and conveyance	6.00	0.96
Directors' sitting fees	0.40	-
Software expenses	7.38	1.20
Auditor's remuneration	1.46	0.25
Charity and donations	-	10.90
Consumables	2.71	9.76
Corporate social responsibility activities expenses (Refer note 31)	2.89	2.50
Customer Support Expenses	21.70	-
Property, plant and equipment written off	-	0.05
Miscellaneous expenses	4.64	4.10
	111.92	**91.90**

Payment to Auditors*

	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:		
- Audit fee	1.40	0.25
- Other services	-	-
- Reimbursement of expenses	0.06	-
	1.46	**0.25**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

24 INCOME TAX

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax expense		
Current tax for the year	-	45.14
	-	**45.14**
Deferred tax expense/(benefit)		
Relating to origination and reversal of temporary differences	31.28	(14.21)
	31.28	**(14.21)**
Total income tax expense	**31.28**	**30.93**

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

Deferred tax related to items recognised in OCI during the Year

	For the year ended 31 March 2023	For the year ended 31 March 2022
Net gain on remeasurements of defined benefit plans	(1.93)	1.04
	(1.93)	**1.04**

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	134.28	112.55
Accounting profit before income tax	**134.28**	**112.55**
Tax expense at the statutory income tax rate @25.17%	33.80	28.33
Adjustments in respect of differences taxed at lower tax rates	(3.25)	(0.81)
Other non-deductible expenses and non-taxable income	0.73	3.41
	31.28	**30.93**

d) Breakup of deferred tax recognised in the Balance sheet

	As at 31 March 2023	As at 31 March 2023	As at 1 April 2021
Deferred tax asset			
Property, plant and equipment and intangible assets	0.31	1.10	1.48
Bonus	-	0.07	-
Ind AS 116 - Leases impact	-	0.12	0.08
Security Deposit	-	-	
Provision for gratuity and compensated absences	6.10	3.43	1.46
Deferred revenue and advance from customers/dealers	11.45	55.74	39.93
Unused tax credits	9.15	-	-
Others	0.43	0.43	-
Total deferred tax assets(A)	**27.44**	**60.89**	**42.95**
Deferred tax liabilities			
Investment in mutual funds, bonds, debentures measured at fair value	(5.44)	(5.92)	(3.23)
Investment in mutual funds, bonds, debentures measured at fair value-Long term	(0.25)		
Total deferred tax liabilities(B)	**(5.69)**	**(5.92)**	**(3.23)**
Net deferred tax assets (C) = (A) - (B)	**21.75**	**54.97**	**39.72**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

Movement in deferred tax balances

31 March 2023	Net Balance at 1 April 2022	Recognised in profit or loss	Recognised in OCI	Net	Deferred Tax Assets	Deferred Tax Liablities
Property, plant and equipment and intangible assets	1.10	(0.79)	-	0.31	0.31	-
Bonus	0.07	(0.07)	-	-	-	-
Ind AS 116 - Leases impact	0.12	(0.12)	-	-	-	-
Provision for gratuity and compensated absences	3.43	4.61	(1.93)	6.10	6.10	-
Deferred revenue and advance from customers/dealers	55.74	(44.29)	-	11.45	11.45	-
Unused tax credits	-	9.15	-	9.15	9.15	-
Investment in mutual funds, bonds, debentures measured at fair value	(5.92)	0.48	-	(5.44)	-	(5.44)
Investment in mutual funds, bonds, debentures measured at fair value-Long term	-	(0.25)	-	(0.25)	-	(0.25)
Others	0.43	-	-	0.43	0.43	-
Total	**54.97**	**(31.28)**	**(1.93)**	**21.75**	**27.44**	**(5.69)**

31 March 2022	Net Balance at 1 April 2022	Recognised in profit or loss	Recognised in OCI	Net	Deferred Tax Assets	Deferred Tax Liablities
Property, plant and equipment and intangible assets	1.48	(0.38)		1.10	1.10	
Bonus	-	0.07		0.07	0.07	
Ind AS 116 - Leases impact	0.08	0.04		0.12	0.12	
Provision for gratuity and compensated absences	1.46	0.93	1.04	3.43	3.43	
Deferred revenue and advance from customers/dealers	39.93	15.80		55.74	55.74	
Unused tax credits	-			-	-	
Investment in mutual funds, bonds, debentures measured at fair value	(3.23)	(2.68)		(5.92)		(5.92)
Others		0.43		0.43	0.43	
Total	**39.72**	**14.21**	**1.04**	**54.97**	**60.89**	**(5.92)**

e) Breakup of deferred tax expense/(income) recognised in Statement of profit and loss and OCI

	For the year ended 31 March 2023	For the year ended 31 March 2022
Property, plant and equipment and intangible assets	(0.79)	(0.38)
Bonus	(0.07)	0.07
Ind AS 116 - Leases impact	(0.12)	0.04
Provision for gratuity and compensated absences	2.68	1.97
Deferred revenue and advance from customers/dealers	(44.29)	15.80

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Unused tax credits	9.15	-
Investment in mutual funds, bonds, debentures measured at fair value	0.48	(2.68)
Investment in mutual funds, bonds, debentures measured at fair value- Long term	(0.25)	
Others	-	0.43
Deferred tax expense	**(33.21)**	**15.25**
Income tax realting to items that will not be reclassified to profit or loss	(1.93)	1.04
	(31.28)	**14.21**

25 EARNINGS PER SHARE (EPS)

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

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Basic		
Profit attributable to equity shareholders (A)	103.00	81.62
Weighted average number of equity shares used in calculating basic EPS (B)	45,000	45,000
Basic earnings per equity share (A/B)	2,288.99	1,813.80
Diluted		
Weighted average number of equity shares used in calculating basic EPS	45,000	45,000
Potential equity shares	-	-
Total no. of shares outstanding (including dilution) (C)*	45,000	45,000
Diluted earnings per equity share (A/C)	2,288.99	1,813.80

**There are no potential dilutive equity shares.*

26 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN

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

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

Gratuity - defined benefit plan

	As at 31 March 2023	As at 31 March 2022	As at 1st April 2021
Present value of defined benefit obligation	19.47	20.35	13.20
Fair value of plan assets	(7.11)	(8.99)	(9.04)
Net liability arising from defined benefit obligation	**12.36**	**11.36**	**4.16**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amount in INR millions,unless otherwise stated)

a) Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and other other long term employee benefit plan and its components.

Reconciliation of present value of defined benefit obligation for Gratuity:

	Gratuity		
	31 March 2023	31 March 2022	1st April 2021
Balance at the beginning of the year	20.35	13.20	10.74
Benefits paid	(2.45)	(0.55)	(0.22)
Current service cost	4.51	2.82	2.46
Interest cost	1.47	0.75	0.71
Actuarial (gains)/losses		-	
- changes in demographic assumptions	0.01	0.87	-
- changes in financial assumptions	(5.17)	2.00	0.63
- experience adjustments	(2.50)	1.26	(1.13)
Transfer in/out	3.25	-	-
Balance at the end of the year	**19.47**	**20.35**	**13.19**

Movement in fair value of plan assets

	Gratuity		
	31 March 2023	31 March 2022	1st April 2021
Opening fair value of plan assets	9.00	9.03	7.34
Interest income	0.56	0.51	0.49
Actuarial (gains)/losses	0.02	-	(0.01)
Contributions from the employer	-	-	1.44
Benefits paid	(2.45)	(0.55)	(0.22)
Closing fair value of plan assets	**7.13**	**8.99**	**9.04**

The major categories of plan assets as a percentage of the fair value of the total plan assets are as follows:

	As at 31 March 2023	As at 31 March 2022	As at 1st April 2021
Funds managed by insurer	100%	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

b) Expense recognised in profit or loss

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	4.51	2.82
Net interest expense	0.91	0.24
Components of defined benefit costs recognised in profit or loss	**5.42**	**3.06**
Remeasurement of the net defined benefit liability:		
Actuarial (gain)/loss on plan assets	-	-
Actuarial (gain)/loss on defined benefit obligation	(7.68)	4.13
Components of defined benefit costs recognised in other comprehensive Income	**(7.68)**	**4.13**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

c) Actuarial assumptions

Principal actuarial assumptions as at reporting date (expressed as weighted averages):

	For the year ended 31 March 2023	For the year ended 31 March 2022
Discount rate	7.35%	6.25%
Salary growth rate	12% for first 2 years and 9% thereafter	13.00%
Attrition rate	17%	17%
Weighted average duration (based on discounted cashflows)	6 Years	6 Years
Mortality table	India Assured Life Morality (2012-14)	India Assured Life Morality (2012-14)

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity

	Decrease	Increase
As at 31 March 2023		
Impact of change in discount rate by 0.5%	0.58	0.55
Impact of change in salary by 0.5%	0.51	0.52
Impact of attrition rate by 50% of attrition rates	1.51	1.02
Impact of mortality rate by 10% of mortality rates	0.00	0.00

	Decrease	Increase
As at 31 March 2022		
Impact of change in discount rate by 0.5%	0.66	0.62
Impact of change in salary by 0.5%	0.44	0.44
Impact of attrition rate by 50% of attrition rates	4.12	2.10
Impact of mortality rate by 10% of mortality rates	0.00	0.00

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

e) The table below summarises the maturity profile and duration of the gratuity liability:

	As at 31 March 2023	As at 31 March 2022
Within one year	2.76	2.39
Within two - five years	8.07	8.53
Within six years	1.42	1.40
Above six years	7.21	8.03
Total	**19.46**	**20.36**

f) Expected Contribution during the next annual reporting period	16.33	13.89

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

27 FAIR VALUES MEASUREMENTS

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

	Level	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Financial assets				
a) Measured at fair value through profit or loss (FVTPL)				
- Investment in equity instruments		-	-	13.40
- Investment in mutual funds (refer note b(iii) below)	Level 1	508.33	443.52	265.22
- Investment in bonds & debentures	Level 2	246.58	-	-
		754.91	**443.52**	**278.62**
b) Measured at amortised cost (Refer Note b(i) and (ii) below)				
- Trade receivables		54.73	82.82	84.21
- Cash and cash equivalents		47.47	45.36	25.37
- Bank balances other than cash and cash equivalents		-	9.72	9.62
- Loans		52.12	31.60	79.17
- Others financial assets		1.80	88.62	106.06
		156.12	**258.12**	**304.43**
Total (a+b)		**911.03**	**701.64**	**583.05**
Financial liabilities				
Measured at amortised cost (Refer Note b(i) and (ii) below)				
Trade payables		13.98	15.66	15.70
Other financial liabilities		55.34	33.96	41.50
Total		**69.32**	**49.62**	**57.20**

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

i) The carrying value of Deposits with Banks, Inter-corporate deposits with Financial institutions, trade receivables, cash and cash equivalents, loans to employees, trade payables, security deposits 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.

ii) Fair value of quoted mutual funds and equity instruments is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.

iii) Fair value of the quoted bonds and debentures is determined using observable market's inputs and is classified as Level 2.

iv) The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. The company has not made any transfers between levels of the fair level hierarchy during the current year and previous year.

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of directors have 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 the Company's activities.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

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 bank balances, trade receivables, investments in mutual fund, bonds, debentures, Market linked debentures, loans and security deposits.

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).

The company maintains its cash and cash equivalents, bank deposits, inter-corporate deposits, investment in mutual funds, bonds, debentures and market linked debentures with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Expected Credit Loss

The allowance for lifetime expected credit loss on customer balances is Nil as on 31 March 2023, 31 March 2022 and 1 April 2021.

Security deposits and Loans

The Company monitors the credit rating of the counterparties on regular basis. These instruments carry very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with the parties.

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 Companys's reputation.

Ultimate responsibility for liquidity risk management rests with the board of directors, which 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 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 financial liabilities based on contractual undiscounted payments:

Contractual maturities of financial liabilities

	Within 1 year	Between 1 and 5 years and thereafter	Total
Friday, March 31, 2023			
Trade payables	13.98	-	13.98
Lease liabilities	-	-	-
Other financial liabilities	55.34		55.34
	69.32	**-**	**69.32**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

Contractual maturities of financial liabilities

	Within 1 year	Between 1 and 5 years and thereafter	Total
Thursday, March 31, 2022			
Trade payables	15.66	-	15.66
Lease liabilities	0.88	2.30	3.18
Other financial liabilities	30.79	-	30.79
	47.33	**2.30**	**49.63**

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 foreign currency receivables, deposits, investments in mutual funds, bonds, debentures and Market linked debentures.

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. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency). Currency risks related to the principal amounts of the company's US dollar trade receivables and the impact is not material.

b) Interest rate risk

Investment of short-term surplus funds of the company in liquid schemes of mutual funds, bonds, debentures & Market linked debentures 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/equity before tax	
	For the year ended 31 March 2023	**For the year ended 31 March 2022**
+5% change in NAV of mutual funds, bonds, debentures & Market linked debentures.	37.75	22.18
- 5% change in NAV of mutual funds, bonds, debentures & Market linked debentures	(37.75)	(22.18)

The Company has only fixed rate financial assets (refer note 7 and 9) as at 31 March 2023, 31 March 2022 and 1April 2021. There are no variable rate instruments held by the Company.

c) Sensitivity analysis – Equity price risk

All of the Company's listed equity investments are listed on either the Bombay Stock Exchange (BSE) or the National Stock Exchange (NSE). These investments are classified as at FVTPL, the impact of a 5% increase in the market price at the reporting date on profit or loss before tax and equity would have been an increase of ₹ NIL (31 March 2022: ₹ NIL and 1 April 2021: ₹ 0.67 millions); an equal change in the opposite direction would have decreased profit or loss before tax and equity by ₹ NIL (31 March 2022: ₹ NIL and 1 April 2021: ₹ 0.67)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

29 RELATED PARTY TRANSACTIONS

i) Names of related parties and related party relationship:

a) Holding Company

1 Indiamart Intermesh Ltd. (w.e.f April 06, 2022)

b) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them Significant Influence over the Company and Key Management Personnel (KMP)

1 Mr. Dinesh Kumar Gupta, Managing Director (upto April 06, 2022)

2 Mr. Harish Chander, Director (upto April 06, 2022)

3 Mr. Rajesh Gupta, Director (upto April 06, 2022)

4 Mr Brijesh Kumar Agarwal, Managing Director & CEO w.e.f April 06, 2022)

5 Mr Prateek Chandra, Director (Wef April 06, 2022)

6 Mr Mekin Maheshwari, Independent Director (w.e.f April 06, 2022)

c) Relatives of the KMP

1 Mrs. Anita Gupta, wife pf Mr. Dinesh Gupta (upto April 06, 2022)

2 Mrs. Kailash Gupta, wife of Mr. Harish Chander (upto April 06, 2022)

3 Mr Mukesh Gupta, Brother of Mr Dinesh Kumar Gupta and Rajesh Gupta (Upto April 06,2022)

4 Mrs. Meena Gupta, wife of Mr. Rajesh Gupta, Director (upto April 06, 2022)

Holding Company

i) Indiamart Intermesh Ltd.

	For the year ended 31 March 2023	For the year ended 31 March 2022
Share based payment to employees	3.15	-
	3.15	**-**

ii) Key management personnel compensation

	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits	-	72.32
Post- employment benefits	-	-
Other long-term employee benefits	-	-
	-	**72.32**

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Key management personnel		
Expenses for rent		
Mr. Dinesh Kumar Gupta	-	2.96
Mr. Rajesh Gupta	-	0.73
Remuneration		
Mr. Dinesh Kumar Gupta	-	36.00
Mr. Rajesh Gupta	-	36.00
Mr Harish Chander	-	0.32

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sitting fees		
Mekin Maheshwari	0.40	-
Relatives of KMP		
Expenses for rent		
Mr Mukesh Gupta	-	1.25
Mrs. Anita Gupta	-	1.16
Mrs. Meena Gupta	-	1.51
Entities in which KMP are Interested		
Expenses for rent	-	-
Remuneration	-	-

Terms and conditions of transactions with related parties

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

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

Balance Outstanding at the period end	As at 31 March 2023	As at 31 March 2022
Holding Company		
Share based payment to employees	3.15	-
Key management personnel		
Remuneration	-	3.34
Rent	-	-
Sitting fees	-	-
Relatives of KMP		
Remuneration	-	-
Rent	-	-
Entities in which KMP are Interested		
Remuneration	-	-
Rent	-	-

30 ADDITIONAL REGULATORY INFORMATION

a) Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance*
Current Ratio (in times)	Current Assets	Current liabilities	2.88	2.44	18.14%
Debt-Equity Ratio (in times)	Total debt (represents lease liabilities) (Refer Note 1 below)	Shareholder's equity	Not Applicable*	0.01	Not Applicable*
Debt service coverage ratio (in times)	Earning available for debt service (Refer Note 2 below)	Debt Service (Refer Note 3 below)	Not Applicable*	94.15	Not Applicable*
Return on Equity Ratio (in %)	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	19.49%	18.77%	3.84%

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

Ratio	Numerator	Denominator	Current year	Previous year	% Variance*
Trade Receivables turnover ratio (in times)	Net Credit sales during the year	Average trade receivable	6.30	4.24	48.66%
Trade payables turnover ratio (in times)	Other expenses	Average trade payable	7.55	5.86	28.85%
Net capital turnover ratio (in times)	Revenue from operations	Working capital (Current Assets- Current liabilities)	0.73	0.97	-25.43%
Net profit ratio (in %)	Net profit after tax	Revenue from operations	23.79%	23.07%	3.09%
Return on Capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed (Refer Note 4 below)	17.15%	19.67%	-12.80%
Return on investment (ROI) (in %)	Income generated from invested funds (Refer Note 5 below)	Average invested funds in treasury investments (Refer Note 6 below)	5.37%	5.65%	-4.89%

Notes

1. Total debt represents lease liabilities.
2. Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and amortizations + Interest + other adjustments like(gain)/ loss on sale of Fixed assets, shared based expenses etc.
3. Debt service = Lease Payments (Interest + Principal)
4. Capital Employed = Tangible net worth - Deferred tax assets + total debt
5. Income generated from invested funds = FVTPL gain on mutual funds, bonds, debentures and units of alternative investment funds + Interest income from Bank deposits + Interest income on inter corporate deposits+ Gain on sale of investments
6. Average invested funds in treasury investments = Average of opening treasury investments and closing treasury investments #)

   # Treasury Investments = Mutual funds, bonds, debentures, units of alternative investment funds and investment trust + Inter - corporate deposits + Bank deposits
7. Average is calculating based on simple average of opening and closing balances.

Explanation where variance in ratio is more than 25%

*** Debt-Equity Ratio and Debt service coverage ratio**

The Company does not have any lease liability or debt, hence debt Equity ratio and debt service coverage ratio is not applicable

Trade Receivables turnover ratio

The increase in trade receivables turnover ratio is on account of improved collection from customers.

Trade payabless turnover ratio

Increase in trade payable turnover ratio is due to reduction in payment cycle of the vendors.

Net capital turnover ratio

The decrease in net capital turnover ratio is on account of increase in working capital requirement during the year ended 31 March 2023.

The Company has been focussing on expansion of business operations, hence there has been an increase requirement of working capital.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

31 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

		As at 31 March 2023	As at 31 March 2022
a)	Amount required to be spent by the company during the year,	2.89	2.49
b)	Amount approved by the Board to be spent during the year	2.89	2.49
c)	Amount spent during the year:		
	(i) construction/acquisition of any asset	-	-
	(ii) on purpose other than (i) above	2.30	2.49
c)	(Shortfall) /excess at the end of year #	(0.59)	-
d)	Total previous year (Shortfall) /excess	-	-
e)	Reason for shortfall	Refer note below	Not Applicable
f)	Nature of CSR Activities	*	*
g)	Details of related party tranaction in relation to CSR expenditure	Nil	Nil
h)	Where a provision is made with respect to a libility incurrecd by entering into a contractual obligation, the movements in the previous year shall be shown seperately.		-

** Education and skill development, healthcare, socio-economic development and any activity covered under schedule VII of Companies Act 2013*

 # The Company has CSR unspent amount for an ongoing project. Refer below table for details.

Details of ongoing project

Opening balance as at 1 April 2022		Amount required to be spent during the year	Amount spent during the year		Closing balance as at 31 March 2023	
With Company	In Separate CSR Unspent account		From Company's bank account	From Separate CSR Unspent account	With Company *	In Separate CSR Unspent account
-	-	2.89	2.30	-	-	0.59

Opening balance as at 1 April 2021	Amount required to be spent during the year	Amount spent during the year	Closing balance as at 31 March 2022
-	2.49	2.49	-

** The unspent amount has been transferred to separate dedicated CSR account before 30 days from the end of financial year ended 31 March 2023.*

32 SHARE BASED PAYMENT PLANS

Stock appreciation rights (SAR)

The company's holding company has granted stock appreciation rights to employee of the company. The Holding company's scheme details are as follows:

Number of units approved for employee of the Company	1,470
Method of Settlement	Equity
Vesting period (in months)	0 to 48 Months

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NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

The details of activity have been summarized below:

SAR 2022

	For the year ended	
	Number of SAR units	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	-	-
Exercised during the year	131	10
Expired during the year	-	-
Outstanding at the end of the year	1,339	10
Exercisable at the end of the year	-	-

Scheme details for the year ended 31 March 2023 are as follows:

	SAR 2022
Range of exercise prices	10
Number of units outstanding	1,339
Weighted average remaining contractual life of units (in years)	3
Weighted average exercise price	10

SAR units granted

The key inputs used in the measurement of the grant date fair valuation of equity settled plans are given in the table below:

	SAR 2022*
Weighted average share price	6,662
Exercise Price	10
Life of the options granted (Vesting and exercise year) in years	3

** The stock price as on the day prior to the grant date has been considered as the fair value.*

Effect of the employee share-based payment plans on the statement of profit & loss:

	For the year ended 31 March 2023
Total Employee Compensation Cost pertaining to share-based payment plans	3.15

33 DISCLOSURE UNDER IND AS 115 " REVENUE FROM CONTRACTS WITH CUSTOMERS"

a. Trade receivables and contract liabilities balances

	Year ended 31 March 2023	Year ended 31 March 2022
Trade Receivables	54.73	82.82
Deferred revenue (contract liability)	272.71	221.50
Deferred revenue - variable consideration (contract liability)	-	-
Current	221.60	178.57
Non Current	51.11	42.93
	272.71	**221.50**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

b. Performance obligation and remaining performance obligation which primarily includes license fee which is recognised over time propotionate basis.

	Year ended 31 March 2023	Year ended 31 March 2022
Disclosure of the entity's remaining performance obligations:		
(a) the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period; and	272.71	221.50
(b) When the entity expects to recognise as revenue		
Within one year	221.60	178.57
After one year	51.11	42.93

c. Changes in contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year

	Year ended 31 March 2023	Year ended 31 March 2022
Contract liabilities		
Opening balances	221.50	158.67
Additions during the year	227.21	218.50
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(176.00)	(155.67)
Closing balance	272.71	221.50

34 FOLLOWING BELOW ARE THE STATUTORY INFORMATION AS PER THE REQUIREMENTS OF SCHEDULE III AMENDMENT

- The company do not have any Benami property, where any proceedings has been initiated or pending against the company for holding any Benami property.
- The company has not entered in to any transaction with companies struck of under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The company do not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company have not traded or invested in Crypto currency or Virtual currency during the financial year.
- There are no funds which 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:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

- The Company is not declared a willful defaulter by any bank or financial institution or any other lender.
- The company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- The company (as per the provision of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

35 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one operating segment which is accounting software services, which acts as a single operating segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence the company falls within a single operating segment "Accounting software services"

The company's revenue from continuing operations from external customers by location of operations are detailed below:

	Revenue from External customers	
	For the Year ended 31 March 2023	For the Year ended 31 March 2022
India	404.2	335.62
Others	28.86	18.13
Total	**433.06**	**353.75**

Information about geographical areas Geographical non- current assets are allocated based on the location of the assets. The requisite details are as follows:

	Non Current assets*	
	For the Year ended 31 March 2023	For the Year ended 31 March 2022
India	8.24	12.13
Others	-	-

** Non- current assets exclude financial instruments, tax assets and deferred tax assets.*

36 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 debt and equity balance.

The capital structure of the company consists of no debts and only equity of the company.

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. The funding requirement have been generally met through operating cash flows generated.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions,unless otherwise stated)

37 CODE ON SOCIAL SECURITY, 2020

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

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

As per our report of even date

For **For B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma
Partner
Membership No.: 521307

Place : Gurugram
Date : 27 April 2023

For and on behalf of the Board of Directors of
Busy Infotech Private Limited

Brijesh Kumar Agrawal
(Managing Director & CEO)
DIN: 00191760

Place : Noida
Date : 27 April 2023

Prateek Chandra
Director
DIN: 00356853

Place : Noida
Date : 27 April 2023

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Ninth (9th) Board's Report on the Business and Operations of Livekeeping Technologies Private Limited (formerly known as Finlite Technologies Private Limited) ('Company') together with the Audited Financial Statement and Auditor's Report for the financial year ended March 31, 2023 ('FY 2023').

FINANCIAL HIGHLIGHTS

A summary of the financial performance of the Company in FY 2023 is as follows:

(Amount in INR thousand)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	1,771	32,669
Other Income	15,938	17
Total Income	**17,709**	**32,686**
Employee Benefit Expenses	32,414	15,792
Depreciation and amortisation expense	654	294
Finance Charges	-	73
Other Expenses	15,973	13,319
Total Expenses	49,041	29,478
Profit / (Loss) before exceptional items and tax	(31,332)	3,208
Exceptional items	(379)	-
Profit / (Loss) tax	(31,711)	3,208
Total Tax Expenses	**235**	**1,195**
Profit / (Loss) for the year	(31,946)	2,013
Other Comprehensive income / (loss) for the financial year	(188)	-
Total Comprehensive loss for the financial year	**(32,134)**	**2,013**
Basic and Diluted Earnings per Equity Share (INR) –Face value of ₹ 10/- each	(3195)	0.20

REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, your Company achieved revenue from operations of ₹ 1,771 Thousand as compared to ₹ 32,669 Thousand during the previous year. Net loss after taxation stood at ₹ 32,134 Thousand as compared to the previous year's profit of ₹ 2,013 Thousand.

SHIFTING OF REGISTERED OFFICE

For the purpose of administrative and operational convenience and for smooth conduct of the Company's operations, the Registered Office of the Company was shifted from C-349, Sumel Business Park-6, Near Hanumanpura Brts Stop, Dudheshwar, Ahmedabad - 38004, Gujarat to 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi – 110002 with effect from December 12, 2022

Accordingly, the shareholders in their Extra Ordinary General Meeting held on July 29, 2022 approved the amendment in the Situation Clause of the Memorandum of Association and Articles of Association of the Company.

CHANGE IN THE NAME OF THE COMPANY

During FY 2023, the Company changed its name from 'Finlite Technologies Private Limited' to 'Livekeeping Technologies Private Limited' with effect from August 22, 2022 with a view that the name 'Livekeeping' is used by the Company to market or sell its services to the public whereas the official or business name of the Company with which it is registered to operate its business is Finlite Technologies Private Limited. Further, the said brand name "Livekeeping" is also a registered trademark of the Company.

Accordingly, the shareholders in their Extra Ordinary General Meeting held on July 29, 2022 approved the amendment in the Name Clause of the Memorandum of Association and Articles of Association of the Company.

CHANGE IN NATURE OF BUSINESS

During FY 2023, there was no change in the nature of the business of the Company.

However, the shareholders in their Extra Ordinary General Meeting held on May 26, 2022 approved the amendment in the main objects, as stated in the Memorandum of Association of the Company, for the purpose of upholding its main activities and activities ancillary to the main business of the Company. The shareholders also amended the Articles of Association of the Company in the form and manner similar to the restated Articles of Association, incorporating the terms of the Shareholders' Agreement dated March 25, 2022 executed between the Company, Mr. Ritesh Kothari, Mr. Praveen Kumar Jasraj Kothari and IndiaMART InterMESH Limited.

MATERIAL CHANGES AND COMMITMENTS

IndiaMART InterMESH Limited became Holding Company : On March 25, 2022, Promoter(s) and existing Shareholder(s) of your Company and IndiaMART InterMESH Limited ('IndiaMART') entered into a Share Subscription and Share Purchase Agreement ('agreement'), wherein Mr. PraveenKumar Jasraj Kothari agreed to transfer 2,147 (Two Thousand One Hundred and Forty Seven Only) Equity Shares to IndiaMART and the Company agreed to allot 6,843 (Six Thousand Eight Hundred and Forty Three Only) Compulsorily Convertible Preference Shares (CCPS) to IndiaMART.

In furtherance to such agreement, the requisite equity shares and seed CCPS were transferred/allotted to IndiaMART and on the completion of the acquisition on May 23, 2022, IndiaMART became a holding company of your Company by acquiring majority stake i.e., 51.09% of the paid-up capital of the Company for an aggregate consideration of ₹ 459.8 million.

SHARE CAPITAL

Authorised Share Capital

As on March 31, 2023, the Authorised Share Capital of the Company is ₹ 1,97,340/- (Rupees One Lakh Ninety Seven Thousand Three Hundred and Forty Only) divided into 10,743 equity shares having face value of ₹ 10/- (Rupees Ten Only) each, 2,147 Investor Series Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each and 6,843 Seed Compulsory Convertible Preference shares having face value of ₹ 10/- (Rupees Ten Only) each.

During FY 2023, the authorised share capital of the Company increased from ₹ 1,00,000 (Rupees One Lakhs Only) to ₹ 1,97,430 (Rupees One Lakh Ninety Seven Thousand Three Hundred and Forty Only)

To record the above mentioned change, the capital clause of the Memorandum of Association of the Company was duly modified.

Issued, Subscribed and Paid Up Share Capital

(a) Equity Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid Up Equity Share Capital of the Company. As on March 31, 2023, the Issued, Subscribed and Paid Up Equity Share Capital of the Company is ₹ 1,00,000/- (Rupees One Lakh Only) divided into 10,000 equity shares having a face value ₹ 10/- each.

However, the equity share capital was reclassified during FY 2023 wherein from among 5,000 equity shares as held by Mr. Praveen Kumar Jasraj Kothari, 2,147 Equity Shares of ₹ 10/- each were re-classified into 2,147 Investor Series Equity Shares of ₹ 10/-each and further transferred to IndiaMART. In pursuance to such transfer, as on March 31, 2023, Mr. Praveen Kumar Jasraj Kothari held 2,853 equity shares, Mr. Ritesh Praveen Kumar Jasraj Kothari held 5,000 equity shares and 2,147 Investor Series Equity Shares were held by IndiaMART.

(b) Preference Share Capital

During FY 2023, the following was the movement in the Issued, Subscribed and Paid Up preference share capital of the Company:

Issued, Subscribed and Paid Up Preference Share Capital	Issued, Subscribed and Paid Up Preference Share Capital (In ₹)
At the beginning of the year i.e., as on April 01, 2022	-
6,843 Seed CCPS of ₹ 10/- each allotted to IndiaMART	68,430
At the end of the financial year i.e., as on March 31, 2023 *6,843 Seed CCPS of ₹ 10 each held by IndiaMART.*	68,430

DIVIDEND

Your directors did not recommend any dividend for FY 2023.

TRANSFER TO RESERVES

During FY 2023, the Company did not transfer any amount to the general reserve.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014, and no amount of principal or interest on deposits from the public was outstanding at the beginning and end of FY 2022-23.

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2023, the Company has one (1) wholly-owned subsidiary, the details of which are given below:

Livekeeping Private Limited ('Livekeeping') was incorporated on July 29, 2021. It is in the business of helping the users to manage their Tally for their mobile phone. It allows businesses to view, create, share & analyze business entries. Further, the mobile application will enable businessmen to efficiently utilise their precious time and resources. During FY 2023, Livekeeping's total income was ₹ 67 thousand and net loss after taxation was ₹ 19 thousand.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186 of the Act, the Company has given a loan to its wholly owned subsidiary, Livekeeping Private Limited, however the loan has been repaid thereby making the loan balance NIL as on 31 march 2023.

Further, during the financial year, the Company has not made any investments or provided any guarantees pursuant to Section 186 of the Act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to Section 134(3)(h) of the Act, all the contracts, arrangements and transactions with the related parties as entered by the Company during the financial year under review were on arm's length basis and in the ordinary course of business. Further, during the reporting period, the Company has not entered into any arrangement/ transaction with related parties which could be considered material, accordingly the disclosure of related party transactions in Form AOC-2 is not applicable.

PARTICULARS OF EMPLOYEES

During FY 2023, none of the employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Appointment of Directors

During FY 2023, the Board of Directors in their meeting held on May 23, 2022 approved and recommended to the shareholders, the appointment of Mr. Prateek Chandra (DIN: 00356853) and Mr. Manoj Bhargava (DIN: 08267536) as a Directors of the Company in the capacity of Nominee Director of IndiaMART with effect from May 23, 2022. Further, the said appointments were further approved by the shareholders in the Extra-Ordinary general meeting held on May 26, 2022.

B) Resignation of Directors

During FY 2023 , Mr. Praveen Kumar Jasraj Kothari, tendered his resignation as a Director of the Company with effect from close of business hours on May 23, 2022 due to pre-occupation and other personal reasons. The Board places on record the immense contributions made by Mr. Kothari to the growth of your Company over the years.

C) Director liable to Retire By Rotation

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting ('AGM').

Accordingly, Mr. Prateek Chandra (DIN: 00356853), is liable to retire by rotation at the ensuing AGM and being eligible offer himself for re-appointment in accordance with provisions of the Act. The Board of Directors of the Company recommends his re-appointment for consideration by the members of the Company at the ensuing AGM. A brief profile, expertise of Director and other details as required under the Act and Secretarial Standards - 2 related to the Director proposed to be re-appointed is annexed to the Notice convening the AGM.

MEETING OF BOARD OF DIRECTORS

During FY 2023, nine (9) Board Meetings were held on April 21, 2022, May 06, 2022, May 13, 2022, May 23, 2022, June 30, 2022, July 18, 2022, July 28, 2022, October 17, 2022 and January 16, 2023. The maximum gap between the two (2) meetings did not exceed one hundred and twenty (120) days.

The Composition of the Board along with number of meetings and attendance details are as follows:

S. No.	Name of the Director	Designation	No. of Meetings held during the tenure	No. of Meeting attended during the year
1	Mr. Ritesh Praveenkumar Kothari	Managing Director & CEO	9	9
2	Mr. Praveen Kumar Jasraj Kothari*	Director	4	4
3	Mr. Manoj Bhargava^	Director	6	6
4	Mr. Prateek Chandra^	Director	6	6

Note:

The Company doesn't have a regular Chairperson of the Board. However, the Board members in their meeting unanimously elects the Chairperson of the Meeting.

* *Mr. Praveen Kumar Jasraj Kothari resigned from the Directorship of the Company w.e.f close of business hours on May 23, 2022.*

^ *Mr. Prateek Chandra and Mr. Manoj Bhargava were appointed as directors of the Company in the capacity of nominee director w.e.f. May 23, 2022.*

INTERNAL COMPLAINTS COMMITTEE

An Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013 ('Act') was constituted on May 23, 2022 i.e., for the purpose of prevention and redressal of sexual harassment cases and other acts of gender based violence in the Company. As on the date of report, the Internal Complaints Committee comprises of four (4) members out of which two (2) are women members. Further, Mr. Ritesh Praveenkumar Kothari, Managing Director and CEO of the Company, is designated as 'Employer' for ensuring the proper compliance of the Act from time to time.

The details of sexual harassment complaints received and disposed-off during period under review are as follows:

No. of Complaints received	:	Nil
No. of Complaints disposed-off	:	Nil
No. of Cases pending for more than 90 days	:	Nil

The Company has adopted the policy for Prevention of Sexual Harassment of Women at Workplace for supporting the above mentioned cause in a more efficient and organized manner.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee and framing of Policy relating to Appointment & Remuneration of Directors are not applicable to the Company.

BOARD EVALUATION

As the provisions of Section 178 of the Act read with rules made thereunder are not applicable to the Company, Board evaluation process is not required to be carried out.

WHISTLE-BLOWER POLICY/VIGIL MECHANISM

As the provisions of Section 177 of the Act read with rules made thereunder are not applicable to the Company, Vigil Mechanism is not required to be implemented by the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;

b) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;

c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detecting of fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

AUDITORS

Statutory Auditors

M/s Pankaj Kumar J & CO, Chartered Accountants (Firm Registration No. 147745W) were appointed as the Statutory Auditors of the Company for the period of five (5) years to hold the office from the conclusion of the 6th Annual General Meeting ('AGM') till the conclusion of the 11th AGM of the Company.

However, on June 15, 2022, they have tendered their resignation as Statutory Auditors of the Company with effect from the 8th Annual General Meeting of the Company.

Further, during FY 2023, M/s JC Bhalla & Co., Chartered Accountants (Firm Registration No. 016461N) were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on June 30, 2022, for a term of 5 (Five) consecutive years, i.e., to hold office from the conclusion of 8th Annual General meeting till the conclusion of 13th Annual General Meeting of the Company.

The report of the Statutory Auditors for the financial year ending March 31, 2023 forms part of the Annual Report. The said report is self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimer. The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.

Internal Auditors

During FY 2023, the Company was not required to appoint Internal Auditors as per Section 138 of the Act.

Secretarial Auditor

During FY 2023, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Act.

INTERNAL FINANCIALS CONTROLS

Your Board of directors affirms that the internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the statutory auditors of the Company on the inefficiency or inadequacy of such controls.

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the Annual Report referred to in Section 92(3) of the Act read with Rule 12 of the

Board's Report (contd.)

Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2023 is available on the Company's website at https://www.livekeeping.com/.

CORPORATE SOCIAL RESPONSIBILITY

During FY 2023, the provisions of Section 135 of the Act with respect to Corporate Social Responsibility were not applicable to the Company.

COST RECORDS

Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards on Meeting of the Board (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During FY 2023, no orders have been passed by any Regulators or Courts or Tribunals, against the Company, which can have impact on the going concern status and the Company's operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Company takes its best efforts to conserve the energy consumed in its premises. During the year under review, there was no technology absorption.

The Foreign Exchange earned in terms of actual inflows and outflows, during the financial year are as follows:

(Amount in INR Thousand)

Details	FY 2022-23	FY 2021-22
Inflows	-	12,512.6
Outflows	527.08	419.24

EMPLOYEES STOCK OPTIONS

Your Company has always believed in motivating employees and rewarding them for their continuous hard work, dedication and support, which has led the Company on the growth path. Accordingly, the Company has in place the following Scheme:

During FY 2023, the Company pursuant to approval of the shareholders at the Extra-Ordinary General Meeting of the Company held on May 07, 2022, adopted Finlite Employee Stock Option Scheme created an Employee Stock Option Plan Pool of 753 (Seven Hundred Fifty Three) Equity Shares.

Further, pursuant to the resolution passed by the Board on May 23, 2022 and Shareholders resolution on May 26, 2022, the Company adopted Finlite Employee Stock Option Scheme. However, no grants have been made under this scheme till the date of signing of this report.

OTHER STATUTORY DISCLOSURES

The Board of Directors of the Company state that no disclosure or reporting is required in respect of the following items as there were no transactions/disclosure required on these items during the period under review:

a) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

b) The Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme.

c) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

d) Details of application or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 is not applicable to the Company.

e) The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

ACKNOWLEDGEMENT

The Board of Directors of the Company wish to place on record valuable cooperation made by every individual associated with the Company through their hard work, dedication, competence, support and co-operation towards the success of your Company and are deeply grateful and thankful for consistent assistance as received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

Your Directors believes in and always upholds the aspects of professionalism, integrity and righteousness across all its functions, activities and departments and focuses on sustainable and profitable growth of the Company.

On behalf of the Board
For **Livekeeping Technologies Private Limited**

Sd/-
Ritesh Praveenkumar Kothari
Managing Director & CEO
DIN: 06998225

Sd/-
Prateek Chandra
Director
DIN: 00356853

Place: Noida
Date: April 25, 2023

ANNEXURE - 1

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures as on March 31, 2023.

Part "A": Subsidiaries

Amount in INR Million

1.	**Name of the Subsidiaries**	Livekeeping Private Limited
2,	**The date since when subsidiary was acquired**	July 29, 2021
3.	**Reporting period for the subsidiary concerned, if different from the holding company's reporting period**	Same as of Holding Company
4.	**Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.**	Indian Rupees
5.	**Equity Share Capital**	0.45
6.	**Reserves & Surplus**	(0.38)
7.	**Total Assets (including investments)**	0.07
8.	**Total Liabilities (other than equity)**	-
9.	**Investments**	-
10.	**Turnover (excluding other income)**	0.07
11.	**Profit / (loss) before taxation**	(0.02)
12.	**Provision for taxation**	-
12.	**Profit / (loss) after taxation (before Other Comprehensive Income)**	(0.02)
13.	**Proposed Dividend**	-
14.	**% of Shareholding**	100%

1. Names of subsidiaries which are yet to commence operations: Not Applicable

2. Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

On behalf of the Board
For **Livekeeping Technologies Private Limited**

Sd/-
Mr. Ritesh Praveenkumar Kothari
(Managing Director)

Place: Noida
Date: April 25, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Livekeeping Technologies Private Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of **Livekeeping Technologies Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2023, and the statement of Profit and Loss (including other comprehensive income), and the statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the Standalone 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 Standalone Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and the net loss, changes in equity, and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone 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.

OTHER MATTERS

The Standalone Financial Statements of the Company for the year ended March 31, 2022 were audited by another firm of Chartered Accountants under the Companies Act 2013 who, vide their report dated April 17, 2022, expressed an unmodified opinion on those Standalone Financial Statements.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in Equity, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial

Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to standalone financial statements.

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The management has represented that, to the best of its knowledge and belief, as disclosed in the note 13 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v. The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 18 to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to my/our notice that has caused me/us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

vii. The Company has not declared or paid dividend during the year ended March 31, 2023. Therefore, our reporting under Rule 11(f) is not applicable.

viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

3. 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.

4. 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 I" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For J.C. Bhalla & Co.
Chartered Accountants
Firm's Regn. No. 001111N

(Akhil Bhalla)
Partner
Membership No. 505002

UDIN :23505002BGTIJF9868
Place: Noida
Date: April 25, 2023

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LIVEKEEPING TECHNOLOGIES PRIVATE LIMITED

(i) (a) (A) As per information and explanation provided to us and based on our examination of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE).

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanation given to us, the Company has a regular program of physical verification of its PPE under which PPE are verified once in every three years, which in our opinion is reasonable having regard to the size of the Company and nature of its PPE.

(c) As per information provided to us and to the best of our knowledge and belief, Company does not own any immovable property and hence the requirements of para 3 (i) (c) of the Order are not applicable to the Company.

(d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipments or Intangible assets during the year ended 31 March, 2023.

(e) As per information provided to us and to the best of our knowledge and belief, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) As per information and explanation provided to us and based on our examination of the records of the Company, the Company is a service company, primarily rendering information technology solutions services. Accordingly, it does not hold any physical inventories and hence the requirements of clause 3 (ii) (a) of the Order is not applicable to the Company.

(b) As per information and explanation provided to us and based on our examination of the records of the Company, the Company has not been sanctioned working capital from banks or financial institutions on the basis of security of current assets at any point of time during the year.

(iii) (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not provided any loans or advances in the nature of loans or guarantee, or provided security to companies, firms, limited liability partnerships, or any other parties during the year, and hence reporting under clause 3 (iii) (a) of the Order is not applicable.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not provided loan or advances in nature of loans, made investments or provided any guarantee or given any security to companies, firms, limited liability partnerships or any other parties during the year and hence reporting under clause 3 (iii) (b) of the Order is not applicable.

(c) As per information and explanation provided to us and based on our examination of the records of the Company, the Company has not granted loans and advances in the nature of loans and hence the requirements of para 3 (iii) (c) of the Order are not applicable to the Company.

(d) As per information and explanation provided to us and based on our examination of the records of the Company, the Company has not granted loans and advances in the nature of loans and hence the requirements of para 3 (iii) (d) of the Order are not applicable to the Company.

(e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there were no loans granted by the Company which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties and hence the requirements of clause 3 (iii) (e) of the Order is not applicable to the Company.

(f) As per information and explanation provided to us and based on our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans and hence the requirements of para 3 (iii) (f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans, investment, guarantees, and security under the provisions of section 185 and 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable.

(v) As per the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under during the year. Accordingly, clause (v) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of products sold and services rendered by the Company. Accordingly, clause (vi) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(vii) (a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the company is regular in depositing with appropriate authorities undisputed statutory dues including income tax. There are no outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and based on our examination of the records of the Company, no unrecorded transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any loans or borrowings from any financial institutions, banks, government, debenture holders or other lenders. 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 based on our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not obtained any term loan during the year. Accordingly, paragraph 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 Standalone Financial Statements of the Company, no funds were raised on short-term basis by the company. Accordingly, reporting under clause 3 (ix) (d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the company, we report that the Company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries as defined in the Act. Further, the Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March, 2023.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Further, the Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March, 2023. Hence reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) In our opinion and according to the information and explanation given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, clause (x) (a) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the company has utilized funds raised by way of private placement of compulsory convertible preference shares for the purposes for which they were raised during the year and has complied with the requirements of the Companies Act, 2013 Further, the company has not raised funds by way of issue of shares under preferential allotment or issue of convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) During the course of our examination of the books of accounts and records carried out in accordance with the generally accepted auditing practices and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, and based on our examination of the records of the Company, a report under sub-section (12) of section 143 of the Companies Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, clause 3 (xi) (b) of the Order is not applicable to the Company.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Companies (Auditors Report) Order, 2020 is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the internal audit is not applicable to the Company. Accordingly, clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with any of the 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, hence the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, clause 3 (xvi)(a) and clause 3(xvi)(b) of the Order are not applicable to the Company.

(b) 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 to the Company.

(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

(xvii) The company has incurred cash loss of ₹ 31,019 thousand in the financial year but has not incurred any cash loss during the preceding financial year.

(xviii) The resignation of auditor during the year is on account of casual vacancy and the outgoing auditor has not raised any issues, objections or concerns.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone 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 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) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to spend any amount on account of Corporate Social Responsibility. Accordingly, clause 3 (xx) of the Order is not applicable to the Company.

For J.C. Bhalla & Co.
Chartered Accountants
Firm's Regn. No. 001111N

(Akhil Bhalla)
Partner
Membership No. 505002

UDIN :23505002BGTIJF9868
Place: Noida
Date: April 25, 2023

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 3(g) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LIVEKEEPING TECHNOLOGIES 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")

We have audited the internal financial controls with reference to the Standalone Financial Statements of **Livekeeping Technologies Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements, and both issued by 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 with reference to the Standalone Financial Statements 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 with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the Standalone Financial Statements included obtaining an understanding of such 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 Standalone 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 systems over financial reporting with reference to the Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting with reference to the Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 (3) 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 Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to the Standalone Financial Statements 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 with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal control with reference to the Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J.C. Bhalla & Co.
Chartered Accountants
Firm's Regn. No. 001111N

(Akhil Bhalla)
Partner
Membership No. 505002

UDIN :23505002BGTIJF9868
Place: Noida
Date: April 25, 2023

STANDALONE BALANCE SHEET

as at 31 March 2023

(All amounts are in thousands (₹) unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022	As at April 1, 2021
Assets				
Non-current assets				
Property, Plant and Equipment	5A	2,186	464	471
Intangible assets	5B	69	7	50
Investment in subsidiaries	6	71	100	-
Financial assets				
Other financial assets	7	30	-	-
Deferred tax assets (net)	8	-	235	172
Non Current tax assets (net)	14	201	1,296	218
Other non-current assets	15	7	-	-
Total non-current assets		**2,564**	**2,102**	**911**
Current assets				
Inventories	9	-	56	543
Financial assets				
i. Investments	10	319,568	-	-
ii. Trade receivables	11	-	2,854	2,025
iii. Cash and cash equivalents	12	1,848	618	414
iv. Loans	13	-	330	-
v. Other financial assets	7	332	100	100
Other current assets	15	3,407	6	135
Total current assets		**325,155**	**3,964**	**3,217**
Total assets		**327,719**	**6,066**	**4,128**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	100	100	100
Instruments entirely equity in nature	16	68	-	-
Other equity	17	319,823	2,020	7
Total equity		**319,991**	**2,120**	**107**
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	18	-	-	2,366
Provisions	19	1,812	796	-
Contract Liabilities	20	1,196	537	328
Total non-current liabilities		**3,008**	**1,333**	**2,694**
Current liabilities				
Financial liabilities				
i. Trade payables				
- total outstanding dues of micro enterprises and small enterprises; and	21	5	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		2,183	194	165
ii. Other financial liabilities	22	38	730	734
Provisions	19	159	63	-
Contract Liabilities	20	1,648	287	272
Other current liabilities	23	687	1,339	156
Total current liabilities		**4,720**	**2,613**	**1,327**
Total liabilities		**7,728**	**3,946**	**4,021**
Total equity and liabilities		**327,719**	**6,066**	**4,128**

Summary of significant accounting policies 2

The accompanying notes from 1-42 part of the financial statements
As per our report of even date attached

For **J. C. Bhalla & Co.**
Chartered Accountants
FRN No. 001111N

Akhil Bhalla
(Partner)
Membership No. 505002

Place: Noida
Date: April 25, 2023

For and on behalf of the Board of Directors of
Livekeeping Technologies Private Limited
(Formerly known as Finlite Technologies Private Limited)

Ritesh Praveenkumar Kothari
Managing Director
DIN: 06998225

Place: Noida
Date: April 25, 2023

Prateek Chandra
Director
DIN: 00356853

Place: Noida

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

		Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
I.	Revenue from operations	24	1,771	32,669
II.	Other income	25	15,938	17
III.	**Total income (I+II)**		**17,709**	**32,686**
IV.	**Expenses**			
	Employee benefits expense	26	32,414	15,792
	Finance costs	27	-	73
	Depreciation and amortisation expense	28	654	294
	Other expenses	29	15,973	13,319
V.	**Total expenses**		**49,041**	**29,478**
VI.	**Profit/(loss) before exceptional items and tax**		(31,332)	3,208
	Exceptional items	6	(379)	-
VII.	**Profit/ (Loss) before tax**		**(31,711)**	**3,208**
VIII.	**Tax expense:**			
	- Current tax	30	-	1,258
	- Deferred tax	30	235	(63)
IX.	**Total tax expense**		**235**	**1,195**
X.	**Profit/(Loss) for the year (VII-IX)**		**(31,946)**	**2,013**
XI.	**Other comprehensive Profit/(Loss)**			
Items that will not be reclassified to profit or loss				
a)	Remeasurements of the defined benefit plans	30	(188)	-
b)	Income tax relating to items that will not be reclassified to profit & loss	30	-	-
XII.	**Total comprehensive Profit/(Loss) for the year (X+XI)**		**(32,134)**	**2,013**
XIII.	**Earnings per equity share of ₹ 10 each**			
	(i) Basic earnings per share	32	(3,195)	0.20
	(ii) Diluted earnings per share	32	(3,195)	0.20

Summary of significant accounting policies 2
The accompanying notes are integral part of the financial statements
As per our report of even date attached

For **J. C. Bhalla & Co.**
Chartered Accountants
FRN No. 001111N

Akhil Bhalla
(Partner)
Membership No. 505002

Place: Noida
Date: April 25, 2023

For and on behalf of the Board of Directors of
Livekeeping Technologies Private Limited
(Formerly known as Finlite Technologies Private Limited)

Ritesh Praveenkumar Kothari
Managing Director
DIN: 06998225

Place: Noida
Date: April 25, 2023

Prateek Chandra
Director
DIN: 00356853

Place: Noida

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 10 each issued, subscribed and fully paid up

	Number of shares	Amount
Balance at 1 April 2021	**10,000**	**100**
Changes in equity share capital during the year	-	-
Balance at 31 March 2022	**10,000**	**100**
Changes in equity share capital during the year	-	-
Balance at 31 March 2023	**10,000**	**100**

B. INSTRUMENTS ENTIRELY EQUITY IN NATURE

Compulsorily Convertible Preference Shares (CCPS)

	Number of shares	Amount
As at 1 April 2021	**-**	**-**
Changes in equity share capital during the year	-	-
As at 31 March 2022	**-**	**-**
Changes in equity share capital during the year	6,843	68
As at 31 March 2023	**6,843**	**68**

C. OTHER EQUITY

	Securities Premium	Reserves and surplus		Total other equity
		General reserve	Retained earnings	
Balance at 1 April 2021	**-**	**-**	**7**	**7**
Profit for the year			2,013	**2,013**
Other comprehensive income for the year (OCI)			-	**-**
Balance at 31 March 2022	**-**	**-**	**2,020**	**2,020**
Compulsory convertible shares issued during the year	349,937			**349,937**
Loss for the year			(31,946)	**(31,946)**
Other comprehensive Loss for the year (OCI)			(188)	**(188)**
Balance at 31 March 2023	**349,937**	**-**	**(30,114)**	**319,823**

Summary of significant accounting policies 2

The accompanying notes from 1-42 integral part of the financial statements
As per our report of even date attached

For **J. C. Bhalla & Co.**
Chartered Accountants
FRN No. 001111N

Akhil Bhalla
(Partner)
Membership No. 505002

Place: Noida
Date: April 25, 2023

For and on behalf of the Board of Directors of
Livekeeping Technologies Private Limited
(Formerly known as Finlite Technologies Private Limited)

Ritesh Praveenkumar Kothari
Managing Director
DIN: 06998225

Place: Noida
Date: April 25, 2023

Prateek Chandra
Director
DIN: 00356853

Place: Noida

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Cash flows from operating activities		
Profit/(Loss) before tax	(31,711)	3,208
Adjustments for:		
Depreciation and amortisation expense	654	294
Net fair value losses/(gains) on investments	9,248	-
Interest income	(621)	-
Finance costs	-	73
Operating Profit/(Loss) before working capital changes	**(22,430)**	**3,575**
Movement in Working Capital:		
Change in inventories	56	488
Change in trade receivables	2,854	(829)
Change in loans	330	(330)
Change in other financial assets	(260)	-
Change in other assets	(2,314)	129
Change in trade payables	1,993	30
Change in other financial liabilities	(693)	(4)
Change in other liabilities	(653)	1,184
Change in provisions	924	859
Changes in Contract Liabilities	2,021	223
Cash generated from operations	**(18,172)**	**5,325**
Income tax paid (net of refunds)	-	(2,337)
Net cash generated/(used) in operating activities	**(18,172)**	**2,988**
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,438)	(245)
Purchase of investments	(620,786)	(100)
Proceeds from sale of investments	291,999	-
Interest received	621	-
Net cash generated/(used) in investing activities	**(330,604)**	**(345)**
Cash flows from financing activities		
Proceeds from issue of Compulsory Convertible Preference Shares	350,006	
Interest paid	-	(73)
Repayment of borrowings	-	(2,366)
Net cash generated from financing activities	**350,006**	**(2,439)**
Net increase/(decrease) in cash and cash equivalents	1,230	204
Cash and cash equivalents at the beginning of the period (refer note 12)	618	414
Cash and cash equivalents at the end of the period (refer note 12)	**1,848**	**618**
Cash on hand	-	199
Balances with banks:	-	-
On current accounts	1,848	419
Total cash and cash equivalents (refer note 12)	**1,848**	**618**

Summary of significant accounting policies 2

The accompanying notes from 1-42 integral part of the financial statements
As per our report of even date attached

For **J. C. Bhalla & Co.**
Chartered Accountants
FRN No. 001111N

Akhil Bhalla
(Partner)
Membership No. 505002

Place: Noida
Date: April 25, 2023

For and on behalf of the Board of Directors of
Livekeeping Technologies Private Limited
(Formerly known as Finlite Technologies Private Limited)

Ritesh Praveenkumar Kothari
Managing Director
DIN: 06998225

Place: Noida
Date: April 25, 2023

Prateek Chandra
Director
DIN: 00356853

Place: Noida

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

1. CORPORATE INFORMATION

Livekeeping Technologies Private Limited (Fomerly known as Finlite Technologies Private Limited) ("the Company") is a private company domiciled in India and was incorporated on 28 January 2015 under the provisions of the Companies Act applicable in India. The Company provides subscription of license to use the software (subscription services). The registered office of the Company is located at Plot No.22, 11th floor, Tower 2, Assotech Business Cresterra, Sector 135, Noida, Uttar Pradesh- 201305.

These financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 25 April 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are prepared in accordance with the Indian Accounting standards (Ind AS) as notified notified by Ministry of corporate affairs under section 133 of the companies act, 2013 ("Act") read with companies (Indian Accounting standard) Rules, 2015 as amended by companies (Indian Accounting standard) (Amendment) Rules, 2016, the relevant provisions of the Act.

These financial statements for the year ended March 31, 2023 are the company's first Ind AS financial statements. For all periods up to and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). An explanation of how the transition to Ind AS has effected the previously reported financial position, financial performance of the Company is provided in note no.39.

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the certain assets and liabilities which have been measured at fair value.

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

The statement of cash flows has been prepared under the indirect method. The preparation of these 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.

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. Actual results may differ from these estimates. The areas involving critical estimates or judgements are:

i. Fair value of financial instruments;

ii. Determination of useful lives of property, plant and equipment and intangibles;

iii. Recognition of deferred tax assets;

iv. Recognition and measurement of provisions and contingencies.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Measurement of fair values

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the condensed interim financial statements

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 — inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 — Unobservable inputs for the asset or liability reflecting Company's assumptions about pricing by market participants

For assets and liabilities that are recognised in the condensed interim financial statements on fair value on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

B. Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

C. Income taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

a. Current tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess/(shortfall) of the Company's income tax obligation for the period are recognised in the balance sheet as current income tax assets/liabilities. Any interest, related to accrued liabilities for potential tax assessments are not included in Income tax charge or (credit), but are rather recognised within finance costs.

Current income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relates to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

b. Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the restated consolidated summary statement.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The unrecognised deferred tax assets/carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately. 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.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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.

D. 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.

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.

E. Provisions, contingent liabilities and contingent assets

Provision

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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 recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets

Contingent Assets are disclosed, where the inflow of economic benefits is probable.

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.

(a) Financial assets

Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

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

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

G. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from contracts with customers

The Company is primarily engaged in providing subscription services. Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services and excluding taxes or duties collected on behalf of the government.

Revenue from subscription services is recognised based on output method i.e. pro-rata over the period of the contract as and when the company satisfies performance obligations by transferring the promised services to its customers.

Other 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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

H. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Depreciation is calculated on a written down value basis using the rates arrived at based on the useful lives prescribed under Schedule II to Companies Act, 2013.

I. Retirement and other benefit expense

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured on undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

Post-employment obligations

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan for its employees i.e. gratuity. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and -net interest Expense or income.

Other long-term employee benefit obligations

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting period end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred.

J) Leases (as lessee)

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

5A PROPERTY, PLANT AND EQUIPMENT

Particulars	Office equipment	Computers	Vehicles	Furniture	Total Property, plant and equipment
Gross Block					
Balance as at April 01, 2021	124	146	82	119	**471**
Additions	154	90	-	-	**244**
Balance as at March 31, 2022	**278**	**236**	**82**	**119**	**715**
Additions	77	2,282	-	-	**2,359**
Balance as at March 31, 2023	**355**	**2,518**	**82**	**119**	**3,074**
Accumulated Depreciation					
Balance as at April 01, 2021	-	-	-	-	**-**
Charge for the year	96	104	21	31	**252**
Balance as at March 31, 2022	**96**	**104**	**21**	**31**	**252**
Charge for the year	90	507	16	23	**636**
Balance as at March 31, 2023	**186**	**611**	**37**	**54**	**888**
Net carrying amount					
Balance as at March 31, 2023	**169**	**1,907**	**45**	**65**	**2,186**
Balance as at March 31, 2022	**182**	**133**	**61**	**88**	**464**
Balance as at April 01, 2021	**124**	**146**	**82**	**119**	**471**

5B INTANGIBLE ASSETS

Particulars	Softwares	Total Intangible assets
Gross Block		
Balance as at April 01, 2021	50	50
Additions	-	-
Balance as at March 31, 2022	**50**	**50**
Additions	80	80
Balance as at March 31, 2023	**130**	**130**
Accumulated Depreciation		
Balance as at April 01, 2021	**-**	**-**
Additions	43	43
Balance as at March 31, 2022	**43**	**43**
Additions	18	18
Balance as at March 31, 2023	**61**	**61**
Net carrying amount		
Balance as at March 31, 2023	**69**	**69**
Balance as at March 31, 2022	**7**	**7**
Balance as at April 01, 2021	**50**	**50**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

6 INVESTMENT IN SUBSIDIARIES

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Investment in subsidiaries-Unquoted			
Unquoted Investments (fully paid-up)			
45,000 equity shares of ₹10 each held in Livekeeping Private Limited	450	100	-
Total investment in subsidiaries	**450**	**100**	**-**
Less: Provision for Dimunition of Investments	(379)		
Aggregate carrying value of unquoted investments	**71**	**100**	**-**

7 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Non- current	Current	Non- current	Current	Non- current	Current
Unsecured, considered good						
At amortised cost						
Security deposits	30	240	-	100	-	100
Recoverable from the payment gateway	-	92	-	-	-	-
Total	**30**	**332**	**-**	**100**	**-**	**100**

8 DEFERRED TAX BALANCES

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Deferred tax assets	-	235	172
Deferred tax liabilities	-	-	-
Net deferred tax liabilities	**-**	**235**	**172**

* *In the absence of virtual certainity of taxable profits in foreseeable future, the management has considered it appropriate not to recognise deferred tax assets in the financial statements.*

9 INVENTORIES

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Smart Weight and SMS Pack Stock (stated at cost or NRV whichever is lower)	-	56	543
Less: Allowance for non moving inventories	-	-	-
Total	**-**	**56**	**543**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

10 INVESTMENTS

Particulars	No. of Units	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non Current				
Investments in mutual funds- quoted (measured at FVTPL)	-	-	-	-
I. Total Non Current				
Current:				
Investment in other entities at FVTPL	-	-	-	-
Investments in mutual funds- quoted (measured at FVTPL)				
UTI Liquid Cash Plan - Direct Plan - Growth	14,595	53,845	-	-
ABSL Overnight Direct Growth Fund	4	5	-	-
Aditya Birla Sun Life Corporate Bond Fund - Growth-Direct Plan	532,335	50,894	-	-
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	1,617,046	42,088	-	-
Kotak Corporate Bond Fund Direct Growth	15,512	50,820	-	-
Kotak Nifty SDL APR 2027 Top 12 Equal Weight Index Fund Direct Plan - Growth	4,918,206	50,991	-	-
Aditya Birla SDL 2027 Index Fund	2,905,649	30,413	-	-
Axis Corporate Bond Fund	2,705,785	40,512	-	-
II. Total Current		**319,568**	**-**	**-**
III. Total (I+II)		**319,568**	**-**	**-**

11 TRADE RECEIVABLES

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Non- current	Current	Non- current	Current	Non- current	Current
At amortised cost						
- Unsecured, considered good	-	-	-	2,854	-	2,025
- Doubtful	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-	-	-	-
Total	**-**	**-**	**-**	**2,854**	**-**	**2,025**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

Ageing for trade receivables - As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of Receipts					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Ageing for trade receivables - As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of Receipts					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	2,635	219	-	-	-	2,854
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-
Total	**-**	**2,635**	**219**	**-**	**-**	**-**	**2,854**

Ageing for trade receivables - As at April 01, 2021

Particulars	Not Due	Outstanding for following periods from due date of Receipts					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	1,790	235	-	-	-	2,025
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-
Total	**-**	**1,790**	**235**	**-**	**-**	**-**	**2,025**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

12 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
At amortised cost			
Cash on hand	-	199	144
Balances with banks			
- in current accounts	1,848	419	270
Total	**1,848**	**618**	**414**

13 LOANS

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Non- current	Current	Non- current	Current	Non- current	Current
At amortised cost						
- Unsecured, considered good						
Loan to Subsidiary Company	-	-	-	180	-	-
Loan to employees	-	-	-	150	-	-
Total	**-**	**-**	**-**	**330**	**-**	**-**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

14 INCOME TAX BALANCES

Particulars		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		Non- current	Current	Non- current	Current	Non- current	Current
I.	**Income tax assets**						
	TDS Receivable	201	-	1,296	-	218	-
II.	**Income tax liabilities**						
	Provision for income tax	-	-	-	-	-	-
Income tax assets (net) (I-II)		**201**	**-**	**1,296**	**-**	**218**	**-**

15 OTHER ASSETS

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Non- current	Current	Non- current	Current	Non- current	Current
Unsecured, considered good						
Advances to suppliers	-	441	-	6	-	135
Balance with Government Authorities	-	2,068	-	-	-	-
Prepaid expenses	7	748	-	-	-	-
Other Recoverable	-	150	-	-	-	-
Total	**7**	**3,407**	**-**	**6**	**-**	**135**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

16 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
A. AUTHORISED SHARE CAPITAL						
Equity shares of ₹10/- each with voting rights	12,900	129	10,000	100	10,000	100
Compulsorily Convertible Preference Share capital (₹10 per share)	6,843	68	-	-	-	-
Total Authorised Share Capital	**19,743**	**197**	**10,000**	**100**	**10,000**	**100**
B. ISSUED, SUBSCRIBED AND FULLY PAID UP						
Equity shares of ₹10/- each with voting rights	10,000	100	10,000	100	10,000	100
Compulsorily Convertible Preference Share capital (₹10 per share)	6,843	68	-	-	-	-

Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of shares held	% holding in the shares	Number of shares held	% holding in the shares	Number of shares held	% holding in the shares
Equity shares of ₹ 10 each fully paid						
Ritesh Praveen Kumar Kothari	5,000	50%	5,000	50%	5,000	50%
Praveen Kumar Jasraj Kothari	2,853	29%	5,000	50%	5,000	50%
IndiaMART InterMESH Limited	2,147	21%	-	0%	-	0%
	10,000	**100%**	**10,000**	**100%**	**10,000**	**100%**
Compulsorily Convertible Preference shares of ₹ 10 each fully paid						
IndiaMART InterMESH Limited	6,843	100%	-	0%	-	0%
	6,843	**100%**	**-**	**0%**	**-**	**0%**

(i) Movements in equity share capital

Particulars	Number of shares	Amount
As at 1 April 2021	10,000	100
Movement during the year	-	-
As at 31 March 2022	**10,000**	**100**
Movement during the year	6,843	68
As at 31 March 2023	**16,843**	**168**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

17 OTHER EQUITY

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Securities Premium	349,937	-	-
Retained earnings	(30,114)	2,020	7
Total	**319,823**	**2,020**	**7**

Nature and purpose of reserves and surplus

a. **Securities Premium:** The Securities premium account is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

b. **Retained Earnings:** It represents undistributed profits of the Company which can be distributed by the Company to its equity shareholders in accordance with the requirements of the Companies Act, 2013.

c. **Other comprehensive income:** It represents income/(loss) arising from the remeasurements of defined benefit obligation net of income tax.

18 BORROWINGS

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Non- current	Current	Non- current	Current	Non- current	Current
Loans and advances from directors	-	-		-		2,366
Total	**-**	**-**	**-**	**-**	**-**	**2,366**

The company has not received funds from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether received in writing or otherwise, that the company shall-

(a) directly and indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

19 PROVISIONS

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Non- current	Current	Non- current	Current	Non- current	Current
Provision for employee benefits						
Gratuity	1,634	125	777	60	-	-
Compensated absences	178	34	19	3	-	-
Total provisions	**1,812**	**159**	**796**	**63**	**-**	**-**

20 CONTRACT LIABILITIES*

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Non- current	Current	Non- current	Current	Non- current	Current
Deferred Revenue	1,196	1,139	537	32	328	17
Advance From Partner	-	504		255		255
Advance- Tally API	-	5				
Total	**1,196**	**1,648**	**537**	**287**	**328**	**272**

**Contract liabilities include consideration received in advance to render web services in future periods*

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

21 TRADE PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
At amortised cost			
Total outstanding dues of micro enterprises and small enterprises	5	-	-
Other trade payables			
Total outstanding dues of creditors other than micro enterprises - and small enterprises	137	194	165
-Accrued Expenses*	2,046	-	-
Total	**2,188**	**194**	**165**

** represents provisions for expenses*

Ageing for trade payables - As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	5	-	-	-	**5**
(ii) Others	-	137	-	-	-	**137**
Accrued Expenses	-	-	-	-	-	**2,046**
Total	**-**	**142**	**-**	**-**	**-**	**2,188**

Ageing for trade payables - As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	194	-	-	-	194
Accrued Expenses	-	-	-	-	-	-
Total	**-**	**194**	**-**	**-**	**-**	**194**

Ageing for trade payables - As at April 1, 2021

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	165	-	-	-	165
Accrued Expenses	-	-	-	-	-	-
Total	**-**	**165**	**-**	**-**	**-**	**165**

22 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
At amortised cost			
Payable to employees	38	730	734
Total	**38**	**730**	**734**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

23 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Statutory dues			
- Tax deducted at source payable	516	1,021	46
- GST payable	97	303	110
- Others	74	16	-
Total	**687**	**1,339**	**156**

24 REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of Services		
Income from Subscription Services	1,771	32,669
Total	**1,771**	**32,669**

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2023 and 31 March 2022.

Significant changes in the contract liability balances during the period are as follows:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Opening balance at the beginning of the period	823	600
Less: Revenue recognised from contract liability balance at the beginning of the period	(249)	(120)
Add: Amount received from customers during the period	3,792	32,889
Less: Revenue recognised from amount received during the period	(1,521)	(32,548)
Closing balance at the end of period	**2,844**	**823**

25 OTHER INCOME

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest from banks on deposits	621	-
Other Interest Income	56	12
Fair Value gain on measurement and income from sale of financial assets		
- Fair Value Gain (net) on measurement, interest and income from sale of mutual funds	15,258	-
Miscellaneous Income	3	5
Total	**15,938**	**17**

26 EMPLOYEE BENEFIT EXPENSE

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, allowance and bonus	31,104	14,650
Gratuity expenses	734	837
Leave Encashment expenses	191	22
Contribution to provident and other funds	368	14
Staff welfare expenses	17	270
Total	**32,414**	**15,792**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

27 FINANCE COSTS

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest costs		
- borrowings	-	73
Total	**-**	**73**

28 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation of property, plant and equipment (refer note 5)	636	252
Amortisation of intangible assets (refer note 5)	18	42
Total	**654**	**294**

29 OTHER EXPENSES

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Power & Fuel	308	285
Rent	2,202	960
Internet and other online expenses	2,072	4,026
Customer Support Expenses	60	488
Repairs and maintenance	194	119
Office Expenses	-	51
Insurance	101	2
Rates and taxes	278	156
Communication	8	1
Travelling and conveyance	153	39
Sales commission	9	6,508
Advertisement Expenses	38	169
Outsourced Sales Cost	8,087	-
Legal and professional fees	1,491	25
Foreign Exchange Gain/ Loss	4	-
Auditor's remuneration	150	15
Recruitment and training expenses	256	149
Donation	-	80
Miscellaneous expenses	562	246
Total	**15,973**	**13,319**

30 INCOME TAX EXPENSE

(i) Income tax recognised in profit & loss

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Current tax expense		
Current tax for the period	-	1,146
Total current tax expense	**-**	**1,258**
Deferred tax expense/(income)	-	
Relating to origination and reversal of temporary differences	235	(63)
Total deferred tax expense/(income)	**235**	**(63)**
Total income tax expense	**235**	**1,195**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

(ii) Income tax recognised in other comprehensive income

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Deferred tax related to items recognised in other comprehensive income during the period:		
Remeasurement of defined benefit obligations	-	-
Total deferred tax expense recognised in other comprehensive income	**-**	**-**

31 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN

The Company has a defined benefit gratuity plan. Every employee who will complete statutory required year of service, will gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and salary risk.

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

Gratuity - defined benefit plan	As at March 31, 2023	As at March 31, 2022
Present value of unfunded defined benefit obligation	1,759	837
	1,759	**837**

Leave encashment - other long term employee benefit plan	As at March 31, 2023	As at March 31, 2022
Present value of other long term employee benefit plan	212	22
	212	**22**

a) Reconciliation of the net defined benefit (asset) liability and other long term employee benefit plan

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and other other long term employee benefit plan and its components:

Reconciliation of present value of defined benefit obligation for Gratuity

Particulars	Gratuity	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Balance at the beginning of the year	837	-
Current service cost	677	232
Interest cost	56	-
Re-measurements Actuarial (gains) losses		
- changes in demographic assumptions	(105)	-
- changes in financial assumptions	(141)	-
- experience adjustments	433	-
Past service cost	-	605
Balance at the end of the year	**1,759**	**837**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

Reconciliation of present value of other long term employee benefit plan for Leave encashment

Particulars	Leave encashment	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Balance at the beginning of the year	22	-
Current service cost	309	14
Interest cost	1	-
Re-measurements Actuarial (gains) losses		
- changes in demographic assumptions	(101)	-
- changes in financial assumptions	(18)	-
- experience adjustments	(1)	-
Past service cost	-	8
Benefits paid	(1)	-
Balance at the end of the year	**212**	**22**

b) **Expense recognised in profit or loss**

Particulars	Gratuity	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Current service cost	677	232
Past service cost		605
Net interest expense	56	-
Actuarial (gain) loss on other long term employee benefit plan		
Components of defined benefit costs recognised in profit or loss	**734**	**837**
Remeasurement of the net defined benefit liability:		
Actuarial (gain) /loss on defined benefit obligation	(188)	-
Components of defined benefit costs recognised in other comprehensive income	**(188)**	**-**
Total	**546**	**837**

Particulars	Leave encashment	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Current service cost	309	14
Past service cost	-	8
Net interest expense	1	-
Actuarial (gain) loss on other long term employee benefit plan	(120)	-
Components of defined benefit costs recognised in profit or loss	**191**	**22**
Remeasurement of the net defined benefit liability:		
Actuarial (gain) /loss on defined benefit obligation	-	-
Components of defined benefit costs recognised in other comprehensive income		
Total	**191**	**22**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

c) Actuarial assumptions

Principal actuarial assumptions at the reporting date

Particulars	Gratuity	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Discount rate	7.30%	6.75%

Attrition rate

Ages	As at March 31, 2023		As at March 31, 2022	
	Upto 4 years of service	Above 4 years of service	Upto 4 years of service	Above 4 years of service
Upto 30 years	15.00%	15.00%	30.00%	30.00%
From 31 to 44 years	15.00%	15.00%	10.00%	10.00%
Above 44 years	15.00%	15.00%	0.00%	0.00%
Future salary growth				
Year 1	12.00%	12.00%	12.00%	12.00%
Year 2	12.00%	12.00%	12.00%	12.00%
Year 3 and onwards	12.00%	12.00%	12.00%	12.00%

Mortality table	India Assured Life Mortality (2012-14)	India Assured Life Mortality (2012-14)

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Increase	Decrease
For the year ended 31 March 2023		
Impact of change in discount rate by 0.50%	(72)	78
Impact of change in salary by 0.50%	70	(67)
For the year ended 31 March 2022		
Impact of change in discount rate by 0.50%	(58)	65
Impact of change in salary by 0.50%	51	(47)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

e) The table below summarises the maturity profile and duration of the gratuity liability:

Particulars	As at March 31, 2023	As at March 31, 2022
Within one year	125	60
Within one - three years	271	112
Within three - five years	289	93
Above five years	1,074	572
	1,759	**837**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

32 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit/(loss) for the period attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS are calculated by dividing the 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 reflects the income and share data used in the basic and diluted EPS computations

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Basic EPS		
Profit/(Loss) for the period attributable to owners of the Company [A]	(31,946)	2,013
Weighted average number of equity shares for the purposes of basic EPS [B]	10,000	10,000
Basic earning per share (face value of ₹10 per share) [A/B]	(3,195)	0.20
Diluted EPS		
Profit/(Loss) for the period attributable to owners of the Company [A]	(31,946)	2,013
Weighted average number of equity shares for the purposes of basic EPS [B]	10,000	10,000
Potential equity shares in the form of convertible preference shares[C]	6,843	-
Total no. of shares outstanding (inluding dilution) D= [B+C]	16,843	10,000
Diluted earning per share (face value of ₹ 10 per share) [A/D] *	(3,195)	0.20

* *The impact of potential equity shares on diluted earning per share is anti-dilutive, hence the potential shares are ignored in the calculation of diluted loss per share and the diluted loss per share is the same as basic loss per share.*

33 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:

Particulars	Level	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Financial assets				
a) Measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds- quoted	Level 1	319,568	-	-
(b) Measured at Amortised cost				
Cash and cash equivalents		1,848	618	414
Trade receivables		-	2,854	2,025
Loans		-	330	-
Other financial assets		362	100	100
Total financial assets		**321,778**	**3,902**	**2,539**
Financial liabilities				
(a) Measured at Amortised cost				
Borrowings		-	-	2,366
Trade payables		2,188	194	165
Other financial liabilities		38	730	734
Total financial liabilities		**2,226**	**925**	**3,265**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

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

1. The carrying value of cash and cash equivalents, trade receivables, loans, other financial assets and trade payables 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.

2. Fair value of quoted mutual funds is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.

3. During the period ended 31 March 2023, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

34 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, equity portion of CCPS and all other equity reserves attributable to the equity shareholder of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders.

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. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company is neither subject to externally imposed capital requirements nor exposed to external borrowings.

35 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 IT related software solutions, Hence the Company falls within a single operating segment "IT related software solutions".

36 RELATED PARTY TRANSACTIONS

i) Names of related parties and related party relationship

a) Entity's holding Company (with effect from May 23, 2022)	Indiamart Intermesh Limited
b) Entity's subsidiary	Livekeeping Private Limited

c) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them Significant Influence over the Company and Key Management Personnel (KMP)

(i)	Ritesh Praveenkumar Kothari	Managing Director
(ii)	Prateek Chandra	Director
(iii)	Manoj Bhargava	Director
(iv)	Chanda Praveen Kothari	Relatives of KMP
(v)	Madhuri Ritesh Kothari	Relatives of KMP
(vi)	Praveen Jasraj Kothari	Relatives of KMP

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

ii) Related Party Transactions

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Holding Company		
Rent	1,242	-
Internet and other online expenses	121	-
Subsidiary Company		
Loan provided	40	-
Proceeds from repayment of loan	220	-
Investment in Equity Shares	350	-
Key management personnel		
(i) Ritesh Praveenkumar Kothari		
- Salary Paid	8,333	2,800
Relatives of Key management personnel		
(i) Maduri Ritesh Kothari		
- Office Rent Paid	400	480
(ii) Chanda Praveen Kothari		
- Office Rent Paid	400	480
(iii) Praveen Jasraj Kothari		
- Salary Paid	-	1,400
- Loan provided	-	7,525
- Proceeds from repayment of loan	-	9,867
- Proceeds from interest on loan	-	47

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

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Indiamart Intermesh Limited			
Prepaid internet and other online service	123	-	-

***Terms and conditions of transactions with related parties**

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

37 CONTINGENT LIABILITIES, CAPITAL AND OTHER COMMITMENTS

As at 31 March 2023, As at March 31, 2022 and As at April 1, 2021, the Company has no contingent liability and Nil Capital and other commitments.

38 Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current period.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

39 FIRST TIME ADOPTION OF IND AS

As stated in note 2 significant accounting policies, these are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2023, the comparative information presented in these financial statements for the year ended 31 March 2022 and in the preparation of an opening Ind AS balance sheet at April 01, 2021 (the Company's date of transition). In preparing its opening Ind AS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's balance sheet, statement of profit or loss and cash flows is set out in the following tables and the notes that accompany the tables.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS optional exemptions

(i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in thefinancial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

B. Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) Initial recognition of financial asset

An entity may apply the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind ASs.

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity

Particulars	As at March 31, 2022			As at April 01, 2021		
	Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
ASSETS						
Non-current assets						
Property, Plant and Equipment	464	-	464	471	-	471
Intangible assets	7	-	7	50	-	50
Investment in subsidiaries	100	-	100	-	-	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

Particulars	As at March 31, 2022			As at April 01, 2021		
	Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
Financial assets		-			-	
Other financial assets	100	-100	-	100	-100	-
Deferred tax assets (net)	161	74	235	156	16	172
Non Current tax assets (net)	1,296	-	1,296	219	-1	218
Other non-current assets	-	-	-	-	-	-
Total non-current assets	**2,128**	**-26**	**2,103**	**996**	**-85**	**911**
Current assets						
Inventories	56	-	56	543	-	543
Financial assets		-			-	
i. Investments	-	-	-	-	-	-
ii. Trade receivables	2,854	-	2,854	2,025	-	2,025
iii. Cash and cash equivalents	618	-	618	414	-	414
iv. Loans	330	-	330	-	-	-
v. Other financial assets	-	100	100	-	100	100
Current tax assets (Net)	-	-	-	-	-	-
Other current assets	6	-	6	135	-	135
Total current assets	**3,863**	**100**	**3,963**	**3,117**	**100**	**3,217**
Total assets	**5,991**	**74**	**6,065**	**4,113**	**15**	**4,128**
EQUITY AND LIABILITIES						
Equity						
Equity share capital	100	-	100	100	-	100
Instruments entirely equity in nature	-	-	-	-	-	-
Other equity	3,627	-1,607	2,020	591	-584	7
Total equity	**3,727**	**-1,607**	**2,120**	**691**	**-584**	**107**
Liabilities						
Non-current liabilities						
Financial Liabilities						
i. Borrowings	-	-	-	2,366	-	2,366
Provisions	-	796	796	-	-	-
Contract Liabilities	-	537	537	-	328	328
Total non-current liabilities	**-**	**1,333**	**1,333**	**2,366**	**328**	**2,694**
Current liabilities						
Financial liabilities						
i. Trade payables						
- total outstanding dues of micro enterprises and small enterprises;	-	-	-	-	-	-
- total outstanding dues of creditors other then micro enterprises and small enterprises;	194	-	194	165	-	165
Other financial liabilities	730	-	730	734	-	734
Provisions	-	63	63	-	-	-
Contract Liabilities	-	287	287	-	272	272
Other current liabilities	1,339	-	1,339	156	-	156
Total Current Liabilities	**2,264**	**349**	**2,613**	**1,055**	**272**	**1,327**
Total Liabilities	**2,264**	**1,682**	**3,946**	**3,421**	**600**	**4,021**
Total equity and liabilities	**5,991**	**75**	**6,066**	**4,112**	**15**	**4,128**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

Reconciliation of total comprehensive income for the year ended 31 March, 2022

Particulars	Previous GAAP*	Adjustments	Ind AS
Revenue			
I. Revenue from operations	32,890	-222	32,669
II. Other income	17	-	17
III. Total income	**32,907**	**-222**	**32,686**
Expenses			
Employee benefits expense	14,934	859	15,792
Finance costs	73	-	73
Depreciation and amortisation expense	294	-	294
Other expenses	13,318	-	13,319
IV. Total expenses	**28,619**	**859**	**29,478**
Profit before exceptional item & Tax	**4,288**	**-1,080**	**3,208**
V. Tax Expense			
(a) Current tax	1,258	-	1,258
(b) Deferred tax	-5	-58	-63
VII. Total tax expense	**1,253**	**-58**	**1,195**
VIII. Profit for the Period (VI-VII)	**3,035**	**-1,023**	**2,012**
IX. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans	-	-	-
(b) Income tax relating to items that will not be reclassified to profit & loss	-	-	-
	-	-	-
X. Total comprehensive income for the year (VIII+IX)	**3,035**	**-1,023**	**2,012**

Reconciliation of Statement of Cash Flow for the year ended 31st March, 2022

Particulars	Previous GAAP*	Adjustments	Ind AS
Net Cash flow from/(used in) Operating Activities	2,992	-	2,992
Net Cash flow from/(used in) Investing Activities	-345	-	-345
Net Cash flow from/(used in) Financing Activities	-2,443	-	-2,443
Net Increase/(Decrease) in Cash and Cash Equivalents	**204**	**-**	**204**
Cash and Cash equivalents at the Beginning of the Period	414	-	414
Cash and Cash equivalents at the End of the Period	**618**	**-**	**618**

**The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.*

Reconciliation of total other equity as at March 31, 2022 and April 01, 2021

Particulars	As at March 31, 2022	As at April 01, 2021
Total other equity as per Previous GAAP	**3,627**	**591**
Gratuity provision not recognised under previous GAAP	-837	-
Compensated absence provision not recognised under previous GAAP	-22	-
Income not deferred under previous GAAP (including advance from customers)	-822	-601
Impact of deferred tax	74	16
Total other equity as per Ind AS	**2,020**	**7**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

Reconciliation of total comprehensive income for the year ended March 31, 2022

Particulars	Year ended March 31, 2022
Net Profit as per Previous GAAP	**3,035**
Income not deferred under previous GAAP	(222)
Gratuity Provision not recognised under previous GAAP	(837)
Compensated absence provision not recognised under previous GAAP	(22)
Due to deferred tax	58
Net Profit as per Ind AS	**2,013**

D. Notes to first-time adoption:

a Revenue from contract with Customers

Under Indian GAAP, revenue from rendering of licencing of software services was not allocated on time proportion basis which has been appropriately incorporated during Ind AS Transition.

Particulars	For the year ended 31 March 2022	As at 31 March 2022	As at 1 April 2021
Impact of Ind AS adjustment	**-222**	**-823**	**-601**
Balance sheet			
- Other equity	-	-222	-601
Contract liabilities			
- Deferred Revenue Non Current	-	537	328
- Deferred Revenue Current	-	32	17
- Advance from partner	-	255	255
Statement of Profit and Loss			
- Revenue from operations	-222	-	-

b Provisions

Under previous GAAP, the Company had not recogised liability for gratuity and leave encashment as expenses under employee benefit expenses however, such liabilities were accounted basis actuarial valuation in the year ended 31 March 2022. Pursuant to adoption of Ind AS, the company has recorded the liability for gratuity and leave encashment as per actuarial valuation as of 31 March 2022. The actuarial gain/ losses arising on remeasurement of net defined benefit liability has been recognised under other comprehensive income. The related impact on Balance Sheet, Other Equity and Statement of profit and loss is given below:

Particulars	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	**859**	**859**
Balance sheet		
- Other equity		
- Non- Current Provision for gratuity	-	777
- Current Provision for gratuity	-	60
- Non- Current Provision for leave encashment	-	19
- Current Provision for leave encashment	-	3
Statement of Profit and Loss		
- Employee benefit expenses		
Gratuity expense	837	-
Leave Encashment expenses	22	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

c The above changes (decreased) / increased the deferred tax asset as follows based on tax rate of 25.17 (1 April 2021: 25.17) percent:

Particulars	For the year ended 31 March 2022	As at 31 March 2022	As at 1 April 2021
Impact of Ind AS adjustment	**58**	**74**	**16**
Balance sheet			
Deferred tax assets on:			
Revenue from contract with Customers		74	16
Statement of Profit and Loss			
Deferred tax assets on:			
Revenue from contract with Customers	58		
	58	**74**	**16**

d. Retained Earnings

Retained earnings as at April 1, 2021 has been adjusted consequent to the above Ind AS transition adjustments

40 RATIO ANALYSIS AND ITS ELEMENTS

	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% change from FY22	Reason for variance
i)	Current ratio	Current Assets	Current Liabilities	68.88	1.52	4441%	Funds received by way of issue of equity shares which were invested in mutual funds.
ii)	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	0.98	-100%	No borrowings in the current year.
iii)	Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.20)	1.81	-111%	In current year, losses were incurred and shareholders equity was increased on account of issue of shares.
iv)	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	1.24	13.39	-91%	Reduction in revenue and average trade receivables.
v)	Trade Payable Turnover Ratio	Net credit purchases = (Gross credit purchases - purchase return)+other expenses	Average Trade Payables	13.41	74.16	-82%	Increase in trade payables as at March 31, 2022 resulting in increase in average trade payables.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(All amounts are in thousands (₹) unless otherwise stated)

	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% change from FY22	Reason for variance
vi)	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.0	24.2	-100%	Increase in working capital in FY 22-23
vii)	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-18.0	0.1	-29367%	Incurred losses in current year.
viii)	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(0.10)	0.95	-110%	Incurred losses in current year.
ix)	Return on Investment	Interest (Finance Income)	Investment	4.77	-	100%	Investments made in mutual funds.

41 **The Code on Social Security 2020 (Code),** which received the Presidential Assent on September 28, 2020, subsumes nine laws relating to social security, retirement and employee benefits, including the Employee Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972. The effective date of the Code is yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record related impact thereon.

42 The Company has not entered any transactions with the companies struck off under section 248 of the Companies Act, 2013.

For **J. C. Bhalla & Co.**
Chartered Accountants
FRN No. 001111N

Akhil Bhalla
(Partner)
Membership No. 505002

Place: Noida
Date: April 25, 2023

For and on behalf of the Board of Directors of
Livekeeping Technologies Private Limited
(Formerly known as Finlite Technologies Private Limited)

Ritesh Praveenkumar Kothari
Managing Director
DIN: 06998225

Place: Noida
Date: April 25, 2023

Prateek Chandra
Director
DIN: 00356853

Place: Noida

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Eighteenth (18th) Board's Report on the business and operations of the Company together with the Audited Financial Statements and the Auditor's Report for the financial year ended March 31, 2023 ('FY 2023').

FINANCIAL HIGHLIGHTS

A summary of the financial performance of the Company in FY 2023 is as follows:

(Amount in INR Thousand)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	-	-
Other Income	6,01,205	177
Total Income	**6,01,205**	**177**
Employee Benefit Expenses	-	-
Purchase of traded goods	-	-
Financial Cost	16,651	14,818
Other Expenses	467	1,256
Total Expenses	**17,118**	**16,074**
Profit before tax	5,84,087	(15,897)
Total Tax Expenses	1,39,999	-
Profit/(Loss) for the year	4,44,088	(15,897)
Other Comprehensive loss for the financial year	-	-
Total Comprehensive income/(loss) for the financial year	**4,44,088**	**(15,897)**
Basic Earnings per Equity Share (₹) – Face value of ₹ 10/- each	4,037.16	(144.51)
Diluted Earnings per Equity Share (₹) – Face value of ₹ 10/- each	4.55	(144.51)

REVIEW OF OPERATIONS

No business activities were carried out by the Company during the year under review.

CHANGE IN NATURE OF BUSINESS

During FY 2023, there was no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial performance of your Company which occurred between the end of the financial year of the Company and the date of this report.

SHARE CAPITAL

Authorised Share Capital

During FY 2023, there is no change in the Authorised Share Capital of the Company. As on March 31, 2023, the Authorised Capital of the Company is ₹ 100,000,000/- divided into 5,00,000 Equity Shares having a face value of ₹ 10/- each and 95,00,000 preference shares having a face value of ₹ 10/- each.

Issued, Subscribed and Paid Up Share Capital

(a) Equity Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid Up Equity Share Capital of the Company. As on March 31, 2023, the issued, subscribed and paid up equity share capital of the Company is ₹ 11,00,000 divided into 1,10,000 equity shares having a face value of ₹ 10/- each.

(b) Preference Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid up Preference Share Capital of the Company. As on March 31, 2023, the Issued, Subscribed and Paid up Preference share capital of the Company is ₹ 78,700,000 divided into 78,70,000 preference shares having a face value ₹ 10/- each.

DEBENTURES

During FY 2023, the Company has issued and allotted 21,25,000 Compulsory Convertible Debentures of face value of ₹ 100/- each to IndiaMART InterMESH Limited (100% holding Company) on a Private Placement basis.

DIVIDEND

Considering the financial position of the Company, the Directors have not recommended any dividend for FY 2023.

Board's Report (contd.)

TRANSFER TO RESERVES

During FY 2023, the Company did not transfer any amount to the general reserve.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014, and no amount of principal or interest on deposits from the public was outstanding at the beginning and end of FY 2022-23.

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2023, the Company does not have any Subsidiary Company and Joint Ventures. Further, the Company has five (5) Associate Companies. The details are as follows:

1. Truckhall Private Limited ('SuperProcure')
2. Shipway Technology Private Limited ('Shipway')
3. Agillos E-Commerce Private Limited ('Aerchain')
4. Edgewise Technologies Private Limited ('EasyEcom')
5. Adansa Solutions Private Limited ('Realbooks')

Development/Performance and Financial Position of each Associate Company is presented below:

1. **Truckhall Private Limited ('SuperProcure')** was incorporated on August 18, 2016. It is inter-alia engaged in the business of creating online marketplace and software development for the logistics industry including running and managing a digital platform 'SuperProcure'. SuperProcure is a SaaS based platform that digitizes the entire freight sourcing by finding the best possible rates through a transparent bidding and auction structure, and dispatch monitoring system of the logistics department of any business, offering complete and real- time visibility of all the events in the entire dispatch cycle, from indenting to delivery, via alerts, dashboards and reports, which improves collaboration amongst all stakeholders leading to better efficiency in the entire process.

   During FY 2023, the Company acquired 75,000 0.0001% Compulsorily Convertible Debentures ('CCDs') in Truckhall Private Limited amounting to ₹ 7,50,00,000/- (Rupees Seven Crores Fifty Lakhs Only) .Post the said investment, the shareholding of the Company through the subscription of the said CCDs shall depend on the conversion event of the CCDs. Thereby, as on March 31, 2023, the Company holds 25.02% share capital of SuperProcure on fully converted and diluted basis.

   During FY 2022, its total Income was ₹ 41.51 million and net loss after taxation was ₹ 42.50 million.

2. **Shipway Technology Private Limited ('Shipway')**, was incorporated on August 06, 2015. It is *inter-alia* engaged in the business of developing SaaS based solutions that allow small business to automate their shipping operations via its flagship product 'Shipway'. The product allows sellers to improve the shipping experience for their customers by providing branded tracking pages, sending out automatic delivery notifications, and capturing customer feedback. Additionally, via its 'Ezyslips product', the entity allows sellers to automate their back-office shipping workflows' including courier allocation, bulk label printing, fraud detection and returns management.

   As on March 31, 2023, the Company holds 26% share capital of Shipway on fully converted and diluted basis.

   During FY 2022, its total income was ₹ 55.58 million and net loss after taxation was ₹ 18.91 million.

3. **Agillos E-Commerce Private Limited ('Aerchain')**, was incorporated on May 05, 2016. It is in the business of offering SaaS based solutions for businesses to automate their procurement operations under its brand name 'Aerchain'. Aerchain seamlessly connects relevant stakeholders, brings visibility, improves efficiency and spreads intelligence across the entire Source to Pay lifecycle of enterprises. Further, through their AI & ML based sourcing engine, they help procurement teams by identifying, analyzing and recommending suppliers to drive cost benefits.

   As on March 31, 2023, the Company holds 26.23% share capital of Aerchain on fully converted and diluted basis.

   During FY 2022, its total Income was ₹ 43.52 million and net loss after taxation was ₹ 15.63 million.

4. **Edgewise Technologies Private Limited ('EasyEcom')**, was incorporated on January 22, 2015. It offers SaaS based online commerce enablement solutions to the merchants under the brand name EasyEcom. EasyEcom's flagship inventory and warehouse management solutions allow merchants to allocate, track, and reconcile inventory across various online and offline sales channels. It also offers additional modules which automate other back-office functions of merchants, such as shipping related payments reconciliation and returns reconciliation.

   As on March 31, 2023, the Company holds 26.01% share capital of EasyEcom on fully converted and diluted basis.

   During FY 2022, its total Income was ₹ 41.36 million and net loss after taxation was ₹ 1.43 million.

5. **Adansa Solutions Private Limited ('Realbooks')**, was incorporated on May 22, 1973. Realbooks, offers a cloud based accounting software product for businesses. Furthermore, it enables businesses to create customized invoices, attach files to vouchers, and manage their

Board's Report (contd.)

inventory. It also enables businesses to manage their different business units at multiple locations from a single dashboard.

During FY 2023, the Company acquired 26.01% share capital of Realbooks on fully converted and diluted basis through a mix of subscribing to 7,950 Series Seed Compulsorily Convertible Preference Shares and 20 Equity Shares for an aggregate consideration of approximately ₹ 1,375 million. Subsequently, Realbooks became the Associate Company on completion of the acquisition on April 06, 2022.

During FY 2022, its total Income was ₹ 35.48 million and net loss after taxation was ₹ 6.90 million.

Other Significant Changes in Investee Companies

During FY 2023, your Company sold some part of its investment in M/s Instant Procurement Services Private Limited ('ProcMART') pursuant to which the Company's present holding in ProcMART is 19.5% of the share capital (on a fully diluted basis).

Further, the Company's shareholding have increased to 15.39% from 11.30% in Legistify Services Private Limited, an investee company, post conversion of the Compulsory Convertible Debentures into Compulsorily Convertible Preference Shares.

Further, apart from the above, no other Company have become or ceased to be subsidiary, joint venture or associate of the Company during the financial year.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186 of the Act, the details of Loans and Investments made during the financial year are given in Note no. 4 of notes to the Financial Statements forming part of the Annual Report. Further, investment made by the Company are mentioned under the head 'Particulars of Subsidiaries, Joint Ventures and Associate Companies' in this report.

During the financial year, the Company has not provided any guarantees pursuant to Section 186 of the Act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During FY 2023, the Company has not entered into any related party transactions referred to in Section 188(1) of the Act.

PARTICULARS OF EMPLOYEES

During FY 2023, none of the employees has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting ('AGM').

Accordingly, Mr. Praveen Kumar Goel (DIN:03604600), is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment in accordance with provisions of the Act. The Board of Directors of the Company recommends his re-appointment for consideration by the members of the Company at the ensuing AGM. A brief profile, expertise of Director and other details as required under the Act and Secretarial Standards - 2 related to the Director proposed to be re-appointed is annexed to the Notice convening the AGM.

None of the Director or Key Managerial Personnel was appointed/resigned during the financial year ended March 31, 2023.

MEETING OF BOARD OF DIRECTORS

During FY 2023, Eight (08) Board Meetings were held on April 05, 2022, April 15, 2022, April 26, 2022, July 07, 2022, July 18, 2022, October 17, 2022, November 07, 2022, and January 16, 2023. The maximum gap between the two (2) meetings did not exceed one hundred and twenty (120) days.

The Composition of the Board along with number of meetings and attendance details are as follows:

S. No.	Name of the Director	Designation	No. of Meetings held during the year	No. of Meeting attended during the year
1	Mr. Praveen Kumar Goel	Director	08	07
2	Mr. Manoj Bhargava	Director	08	07
3	Mr. Sudhir Gupta	Director	08	08

Note: The Company doesn't have a regular Chairperson of the Board. However, the Board members in their meeting unanimously elect the Chairperson of the Meeting.

Board's Report (contd.)

COMMITTEES OF THE BOARD

As the provisions of Section 177 & 178 of the Act read with rules made thereunder are not applicable to the Company, no committee of the Board is constituted in terms thereof.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;

b) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detecting of fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee and framing of Policy relating to appointment & remuneration of Directors are not applicable to the Company.

AUDITORS

Statutory Auditors

M/s Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were re-appointed as Statutory Auditors of the Company at the Annual General Meeting ('AGM') of the Company held on August 28, 2020, for a term of 5 (Five) consecutive years, i.e., to hold office from the conclusion of the 15th AGM till the conclusion of the 20th AGM of the Company.

The report of the Statutory Auditors forms part of the Annual Report. The said report is self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimer. The Statutory Auditors of the Company have not reported any fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.

Internal Auditor

During FY 2023, the Company was not required to appoint Internal Auditor as per Section 138 of the Act.

Secretarial Auditor

During FY 2023, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Act.

INTERNAL FINANCIALS CONTROLS

Your Board of directors affirms that the internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the statutory auditors of the Company on the inefficiency or inadequacy of such controls.

CORPORATE SOCIAL RESPONSIBILITY

During FY 2023, the provisions of Section 135 of the Act with respect to Corporate Social Responsibility were not applicable to the Company.

COST RECORDS

Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards on Meeting of the Board (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During FY 2023, no orders have been passed by any Regulators or Courts or Tribunals, against the Company, which can have impact on the going concern status and the Company's operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Company takes its best efforts to conserve the energy consumed in its premises. During the year under review, there was no technology absorption and foreign exchange inflow or outflow.

APPLICATION/PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During FY 2023, no application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

Board's Report (contd.)

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME STELLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

ACKNOWLEDGEMENT

The Board of Directors of the Company wish to place on record valuable cooperation made by every individual associated with the Company through their hard work, dedication, competence, support and co-operation towards the success of your Company and are deeply grateful and thankful for consistent assistance as received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

Your Directors believe in and always uphold the aspects of professionalism, integrity and righteousness across all its functions, activities and departments and focuses on sustainable and profitable growth of the Company.

On behalf of the Board
For **Tradezeal Online Private Limited**

	Sd/-	Sd/-
	Praveen Kumar Goel	**Sudhir Gupta**
Place: Noida	Director	Director
Date: April 25, 2023	DIN: 03604600	DIN: 08267484

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tradezeal Online Private Limited

We have audited the accompanying standalone IND AS financial statements of Tradezeal Online Private Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31,2023, and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone 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 standalone 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 standalone Balance Sheet, of the state of affairs of the Company as at March 31,2023

(b) in the case of the standalone Statement of Profit and Loss including other comprehensive income, of the loss 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 standalone 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 Standalone 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 standalone 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 31,2023 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.

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone cash flows and standalone 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 standalone 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 standalone 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 STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone Ind AS financial statements for the financial period ended at March 31,2023 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 far 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 standalone 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, 2023 taken on record by the Board of

Directors, none of the directors is disqualified as on March 31,2023 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial

(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 2023 that can affect its financial position in its standalone 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 were no amounts which were 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 has 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 of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBH3093

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRADEZEAL ONLINE 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 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 all 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 term loans have been used for the object they were obtained.

(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 standalone 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 Standalone 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) 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 incurred cash losses in the financial year and in the immediately preceding financial year.

Particulars	Amt ('000)
Current financial year 22-23	466
Immediately preceding financial year 21-22	1,256

xviii. There has been no resignation of the statutory auditor during the year. Accordingly, clause 3(xviii) 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 standalone 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. Tradezeal is not required to prepare Consolidated Financial statement. Hence, the provisions of this clause are not applicable.

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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBH3093

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRADEZEAL ONLINE 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 of Tradezeal Online Private Limited ("the Company") as of at March 31,2023 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 March 31,2023, 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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBH3093

STANDALONE BALANCE SHEET

as at 31 March 2023

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

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Investment in associates	4	898,047	685,547
Financial assets			
(i) Investments in Others	4	548,930	87,908
Non-Current tax assets (net)	8	33	18
Total non-current assets		**1,447,010**	**773,473**
Current assets			
Financial assets			
(i) Cash and cash equivalents	5	1,669	2,078
(ii) Other current assets	6	223	148
(iii) Investments	7	109,865	-
Total current assets		**111,757**	**2,226**
Total assets		**1,558,767**	**775,699**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	1,100	1,100
Other equity	12	1,333,096	676,509
Total equity		**1,334,196**	**677,609**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	9	114,683	98,031
Deferred tax liabilities (Net)	17	109,802	-
Total non-current liabilities		**224,485**	**98,031**
Current liabilities			
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 enterprises		86	45
Other current liabilities	11	-	14
Total current liabilities		**86**	**59**
Total liabilities		**224,571**	**98,090**
Total equity and liabilities		**1,558,767**	**775,699**
Summary of significant 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

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

Place: New Delhi
Date: 25 April 2023

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
(Director)
DIN: 03604600

Place: Noida
Date: 25 April 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023

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

	Notes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
INCOME:			
Other income	13	601,205	177
Total income		**601,205**	**177**
EXPENSE:			
Finance costs	14	16,651	14,818
Other expenses	15	467	1,256
Total expenses		**17,118**	**16,074**
Profit/(Loss) before tax	**17**	**584,087**	**(15,897)**
Income tax expense			
Current tax		30,197	-
Deferred tax		109,802	-
Total tax expense		**139,999**	**-**
Profit/(Loss) for the year		**444,088**	**(15,897)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive Profit/(Loss) for the year		**444,088**	**(15,897)**
Earnings per equity share:	16		
Basic earnings per equity share (INR)		4,037.16	(144.51)
Diluted earnings per equity share (INR)		4.55	(144.51)
Summary of significant 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

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

Place: New Delhi
Date: 25 April 2023

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
(Director)
DIN: 03604600

Place: Noida
Date: 25 April 2023

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

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

(A) EQUITY SHARE CAPITAL (REFER NOTE 10)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 01 April 2021	**1,100**
Changes in equity share capital	-
As at 31 March 2022	**1,100**
As at 01 April 2022	**1,100**
Changes in equity share capital	-
As at 31 March 2023	**1,100**

(B) OTHER EQUITY (REFER NOTE 10)

	Other equity			Total
	Equity portion of CCD	Equity portion of OCCRPS (refer note 7)	Reserves and surplus	
Balance as at 1 April 2021	**-**	**383**	**(28,333)**	**(27,951)**
Loss for the year	-	-	(15,897)	(15,897)
Other comprehensive income	-	-	-	-
Equity portion of CCD	720,000	357	-	720,357
Total comprehensive loss	**720,000**	**357**	**(15,897)**	**704,460**
Balance as at 31 March 2022	**720,000**	**739**	**(44,230)**	**676,509**
Profit for the year	-	-	444,088	444,088
Other comprehensive income	-	-	-	-
Equity portion of CCD	212,500	-	-	212,500
Total comprehensive loss	**212,500**	**-**	**444,088**	**656,588**
Balance as at 31 March 2023	**932,500**	**739**	**399,858**	**1,333,097**

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

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

Place: New Delhi
Date: 25 April 2023

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
(Director)
DIN: 03604600

Place: Noida
Date: 25 April 2023

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

	For the Year ended 31 March 2023	For the Year ended 31 March 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	**584,087**	**(15,897)**
Adjustments for:		
Finance costs	16,651	14,818
Fair Value Gain (net) on measurement, interest and income from sale of mutual funds	(2,874)	-
Fair Value Gain on Investment in Other Entities	(598,193)	-
Interest income	(138)	(177)
Operating (loss) before working capital changes	**(467)**	**(1,256)**
Movement in working capital		
(Increase)/decrease in other assets	(72)	-
Increase/(decrease) in other liabilities	-	14
Increase/(Decrease) in trade and other payables	30	13
Cash generated from operations	**(509)**	**(1,229)**
Direct taxes paid (net of refunds)	(30,215)	-
Net cash generated/used in operating activities	**(30,724)**	**(1,229)**
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in equity instruments of associates	(212,500)	(685,547)
Purchase of current investments	(129,994)	-
Proceeds from redemption of current investments	23,000	-
Proceeds from redemption of investments in other entities	137,171	
Investment in equity instruments of other entities	-	(87,908)
Net cash used in investing activities	**(182,323)**	**(773,455)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from equity funding	212,500	720,000
Proceeds from issue of Optionally Convertible Cumulative Redeemable Preference Shares	-	40,000
Interest income	138	-
Interest paid	-	(2,771)
Cash generated from operations	**212,638**	**757,229**
Income tax paid/ (refund)	-	18
Net cash generated from financing activities	**212,638**	**757,247**
Net (decrease) / increase in cash and cash equivalents	**(409)**	**(17,437)**
Cash and cash equivalents at the beginning of the year	**2,078**	**19,515**
Cash and cash equivalents at the end of the year	**1,669**	**2,078**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	1,669	2,078
Total cash and cash equivalents (note 5)	**1,669**	**2,078**
Summary of significant 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

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

Place: New Delhi
Date: 25 April 2023

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
(Director)
DIN: 03604600

Place: Noida
Date: 25 April 2023

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

1. CORPORATE INFORMATION

Tradezeal Online Private Limited (Formerly known as Tradezeal International Private Limited) ("the Company") is a public company domiciled in India and was incorporated on May 31, 2005 under the provision of the Companies Act applicable in India. The Company is engaged in carrying out the business related to Investment and allied activities. 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 2023.

2. SIGNIFICANT 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 Summary of significant 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) Statement of Compliance

The financial statements for the year ended 31 March 2023 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.

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

b) 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.

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.

c) 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 equity/preference instrument of other entities and 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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 18)

d) Revenue recognition

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 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.

e) 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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

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.

f) 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.

g) Investment in associates

The Company records the investment in equity instruments of associate at cost less impairment loss, if any.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

On disposal of investment in associate, the difference between net disposal proceeds and the carrying amount is recognised in the Statement of profit and loss

h) 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.

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:

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

- 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-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:

- 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

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for the year ended 31 March 2023

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 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.

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for the year ended 31 March 2023

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 though 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.

i) 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.

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).

j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to

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for the year ended 31 March 2023

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.

k) 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.

l) Contributed equity

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) 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 18 for further disclosures.

4. IMPACT OF COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, investment in associate and other entities, impact on revenue and cost. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

4 NON CURRENT INVESTMENT

Investment in associates- Unquoted

	31 March 2023		31 March 2022	
	No. of units	Amount	No. of units	Amount
(Accounted under equity method)				
Fully paid up - at cost				
0.001% Compulsory Convertible Preference Shares of ₹ 10 each (at premium of ₹ 7,467 each) in Truckhall Private Limited (Refer Note 1 below)	12,846	96,050	12,846	96,050
Equity shares of ₹ 10 each (at premium of ₹ 7,467 each) in Truckhall Private Limited	1,879	14,049	1,879	14,049
0.0001% Compulsory Convertible Debentures of ₹ 1,000 each (Refer Note 1 below)	75,000	75,000	-	-
0.001% Compulsory Convertible Preference Shares of ₹ 10 each (at premium of ₹ 43,446 each) in Shipway Technology Private Limited	4,088	177,648	4,088	177,648
Equity shares of ₹ 10 each (at premium of ₹ 43,446 each) in Shipway Technology Private Limited	100	4,346	100	4,346
0.001% Compulsory Convertible Preference Shares of ₹ 10 each (at premium of ₹ 60,311 each) in Agillos E-Commerce Pvt. Ltd.	2,694	162,505	2,694	162,505
Equity shares of ₹ 10 each (at premium of ₹ 43,497 each) in Agillos E-Commerce Pvt. Ltd.	2,241	97,499	2,241	97,499
0.001% Compulsory Convertible Preference Shares of ₹ 10 each (at premium of ₹ 27,314 each) in Edgewise Technologies Pvt Ltd	4,784	130,718	4,784	130,718
Equity shares of ₹ 10 each (at premium of ₹ 27,314 each) in Edgewise Technologies Pvt Ltd	100	2,732	100	2,732
0.01% Compulsory Convertible Preference Shares of ₹ 10 each (at premium of ₹ 14,696 each) in Adansa Solutions Pvt. Ltd (Refer Note 2 below)	7,950	116,912	-	-
Equity shares of ₹ 10 each (at premium of ₹ 1,028,412 each) in Adansa Solutions Pvt. Ltd	20	20,588	-	-
Total		**898,047**		**685,547**

Notes:

1. During the year ended ended 31 March 2023, the company has made investments in 0.001% Compulsory Convertible Debentures (CCDs) of Truckhall Private Limited.
2. During the year ended ended 31 March 2023, the company has made investments in Adansa Solutions Private Limited thereby becoming associate of the company.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

Investment in others

	31 March 2023		31 March 2022	
	No. of units	**Amount**	**No. of units**	**Amount**
Unquoted (measured at FVTPL)				
Instant Procurement Services Private Limited (refer note 1 below)				
0.001% Compulsory Convertible Preference Shares of ₹ 10 each in Instant Procurement Services Private Limited (Refer Note 1 below)	16,200	13,500	-	-
Equity shares held in Instant Procurement Services Private Limited in of ₹ 10 each	5,510	50	-	-
Less: Investments sold during the period	5,500	(50)	-	-
Fair value gain recognised through profit and loss during the year	-	373,241	-	-
Legistify Services Private Limited (refer note 2 below)				
0.001% Compulsory convertible preference shares of ₹ 10 each (at premium of ₹ 58,120.00 each) (Refer Note 2 below)	1,290	75,000	-	-
0.001% Compulsory Convertible Preference Shares of ₹ 10 each (at premium of ₹ 5132.68 each)	1,146	5,894	1,146	5,909
0.001% Compulsory Convertible Preference Shares of ₹ 10 each (at premium of ₹ 4104.14 each)	1,580	6,500	1,580	6,485
Equity shares of ₹ 10 each (at premium of ₹ 5132.68 each)	100	514	100	514
0.001% Compulsory Convertible Debentures of ₹ 1000 each (Refer Note 2 below)	-	-	75,000	75,000
Fair value gain recognised through profit and loss during the year		74,281		
Total		**548,930**		**87,908**
Total non-current investments		**548,930**		**773,455**

Notes:

1. During the year ended 31 March 2023, the group has sold the equity shares of Instant Procurement Services Pvt Ltd of INR 137.17 Million. Further the 12,446 OCRPS have been converted into 12,436 0.001% Compulsory Convertible Preference Shares and 10 Equity shares. Subsequent to these transactions, the equity ownership in Instant Procurement Pvt Ltd stands at 19.52%.
2. During the year ended March 31, 2023, there has been a conversion of CCD's into CCPS' of Legistify Services Private Limited at fair value of INR 58,130/- each.

5 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Balance with bank		
- On current accounts	1,669	2,078
Cash and cash equivalents as per statement of cash flows	**1,669**	**2,078**

Notes:

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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

6 OTHER ASSETS

	As at March 31, 2023	As at March 31, 2022
Current (Unsecured, considered good unless otherwise stated)		
Balances with government authorities	220	146
Prepaid expenses	3	2
Total	**223**	**148**

7 INVESTMENTS - CURRENT

	31 March 2023		31 March 2022	
	No. of units	Amount	No. of units	Amount
Aditya Birla Sun Life Mutual Fund	162,815	59,113	-	-
ABSL Corporate fund - Growth-Direct	530,849	50,752	-	-
		109,865		**-**

8 TAX ASSETS AND LIABLITIES

	As at March 31, 2023	As at March 31, 2022
Non-Current		
Non-Current tax assets	-	18
Provision for income tax	30,230	-
Less : Advance Tax paid	(30,197)	-
Total Tax Asset (net)	**33**	**18**

9 BORROWINGS

	As at March 31, 2023	As at March 31, 2022
Measured at amortised cost		
Non-current		
Liability component of compound financial instrument		
Optionally convertible cumulative redeemable preference shares (unsecured)	114,683	98,031
Total non-current borrowings	**114,683**	**98,031**

Terms of conversion/ redemption of 0.01% Optionally convertible Cumulative redeemable preference share (OCCRPS)

With effect from 22 February 2019, the Company has converted its series Redeemable Preference Share and Optionally Convertible Redeemable Preference Shares into Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). And also changed terms of all OCCRPS to fix the tenure to 30 April, 2026 and amount of redemption of preference shares to ₹ 30 per share including ₹ 20 per share for premium on redemption at the option of the holder and in case of conversion shall be converted at a ratio of 1:1 with the equity shares.

During the year ended March 31,2021,the company issued and allotted 20,00,000 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹ 10/- each at par aggregating to ₹ 2,00,00,000/- to holding company. The OCCRPS be convertible/redeemable (in whole or in part) at the option of the holder on April 30, 2026 and amount of redemption of preference shares to ₹ 20 per share including ₹ 10 per share for premium on redemption at the option of the holder and in case of conversion shall be converted at a ratio of 1:1 with the equity shares.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

During the period ended September 30,2021,the company issued and allotted 40,00,000 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹ 10/- each at par aggregating to ₹ 4,00,00,000/- to holding company. The OCCRPS be convertible/redeemable (in whole or in part) at the option of the holder on April 30, 2026 and amount of redemption of preference shares to ₹ 20 per share including ₹ 10 per share for premium on redemption at the option of the holder and in case of conversion shall be converted at a ratio of 1:1 with the equity shares.

	Optionally Convertible Cumulative Redeemable Preference Shares (Face value INR 10 per share)	
	No. of shares	**Amount**
Authorised preference share capital		
At 01 April 2021	**9,500,000**	**95,000**
At 31 March 2022	**9,500,000**	**95,000**
At 31 March 2023	**9,500,000**	**95,000**
Issued preference share capital (subscribed and fully paid up)		
At 01 April 2021	**3,870,000**	**38,700**
At 31 March 2022	**7,870,000**	**78,700**
At 31 March 2023	**7,870,000**	**78,700**

		31 March 2023		31 March 2022	
		Number of shares	Percentage	Number of shares	Percentage
a)	**Shares held by holding company**				
	Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
	Indiamart Intermesh Limited	7,870,000	100%	7,870,000	100%
b)	**Details of shareholders holding more than 5% preference shares in the Company**				
	Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
	Indiamart Intermesh Limited	7,870,000	100%	7,870,000	100%

10 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Current		
Dues to other than MSMEDs	-	-
- Outstanding dues to others	86	45
Total	**86**	**45**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

Outstanding for following periods from due date of payment / transaction

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2023					
(i) MSME	-	-	-	-	-
(ii) Others	35	35			71
Accrued expenses	-	-	-	-	15

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2022					
(i) MSME	-	-	-	-	-
(ii) Others	35	-	-	-	35
Accrued expenses	-	-	-	-	10

11 OTHER CURRENT LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Tax deducted at source payable	-	14
Total	**-**	**14**

12 SHARE CAPITAL

	Number of shares	Amount
Equity share capital		
Authorised equity share capital		
At 31 March 2021	**500,000**	**5,000**
At 31 March 2022	**500,000**	**5,000**
At 31 March 2023	**500,000**	**5,000**
Issued equity share capital (subscribed and fully paid up)		
At 31 March 2021	**110,000**	**1,100**
At 31 March 2022	**110,000**	**1,100**
At 31 March 2023	**110,000**	**1,100**

a) Terms/ rights attached to equity shares:

1) The Company has only one class of equity shares having a par value of INR 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.

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for the year ended 31 March 2023

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

b) Shares held by holding company

	31 March 2023		31 March 2022	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART InterMESH Limited)	110,000	100%	110,000	100%

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

	31 March 2023		31 March 2022	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART InterMESH Limited)	110,000	100%	110,000	100%

d) Other equity

	31 March 2023	31 March 2022
Retained earnings	399,858	(44,230)
Equity portion of OCCRPS	739	739
Equity portion of CCD	932,500	720,000
Total other equity	**1,333,096**	**676,509**

13 OTHER INCOME

	For the year ended 31 March 2023	For the year ended 31 March 2022
Fair Value gain on measurement and income from sale of financial assets		
- Fair Value Gain (net) on measurement, interest and income from sale of mutual funds	2,874	-
- Fair Value Gain on Investment in Other Entities	598,193	-
Interest Income		
- on fixed deposit with banks	137	177
- others	1	-
Total	**601,205**	**177**

14 FINANCE COSTS

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on		
- others	-	2,766
Interest on Optionally cumulative convertible redeemable preference shares (OCCRPS)	16,651	12,052
Total	**16,651**	**14,818**

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for the year ended 31 March 2023

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

15 OTHER EXPENSES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Legal and professional fees	411	1,188
Rates and taxes	4	26
Auditor's remuneration	35	35
Bank Charges	1	-
Miscellaneous Expenses	16	7
Total	**467**	**1,256**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Payment to Auditors		
As auditor:		
- Audit fee	35	35
	35	**35**

16 EARNINGS PER SHARE

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

Diluted EPS are calculated by dividing the 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 the basic and diluted EPS computations:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Basic		
Profit/(Loss) for the year	444,088	(15,897)
Weighted average number of equity shares in calculating basic EPS	110,000	110,000
Basic Profit/(Loss) per share	**4,037.16**	**(144.51)**
Diluted		
Profit/(Loss) for the year	**444,088**	**(15,897)**
Adjustments for Diluted EPS (Finance Cost on OCRPS)	16,651	-
Adjusted Profit/loss for the year	**460,739**	**(15,897)**
Weighted average number of equity shares in calculating basic EPS	110,000	110,000
Potential equity shares in the form of convertible preference shares	7,870,000	7,870,000
Potential equity shares in the form of Compulsory Convertible Debentures (classified as equity)	93,250,000	72,000,000
Total no. of shares outstanding (inluding dilution)	**101,230,000**	**79,980,000**
Diluted earning Profit/(Loss) per share	**4.55**	**(144.51)**

There are potential equity shares for the year ended 31 March 2022 which were anti-dilutive, hence they were ignored in the calculation of diluted Profit/(Loss) per share and accordingly the diluted Profit/(Loss) per share was the same as basic Profit/(Loss) per share.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

17 INCOME TAX EXPENSE/(INCOME) FOR THE PERIOD

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax		
Current income tax for the year	30,197	-
	30,197	**-**
Deferred tax		
Relating to origination and reversal of temporary differences	109,802	
	109,802	**-**
Total income tax expense	**139,999**	**-**

b) Reconciliation of tax expense and the accounting loss multiplied by statutory income tax rate.

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	584,087	-
Accounting profit before income tax	**584,087**	**-**
Tax expense at the statutory income tax rate @25.17%	147,015	-
Adjustments in respect of differences taxed at lower tax rates	(3,015)	-
Non-deductible expenses and Non taxable income for tax purposes:	(4,001)	-
Tax expense at the effective income tax rate of	**139,999**	**-**

c) Breakup of deferred tax recognised in the Balance sheet

	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred tax Assets		
Investment in shares and mutual fund measured at fair value	109,802	-
Total deferred tax assets	**109,802**	**-**

d) Reconciliation of Deferred tax liabilities (Net):

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance as of 1 April	-	-
Tax expense during the period recognised in Statement of profit and loss	109,802	-
Closing balance at the end of the period/year	**109,802**	**-**

(e) Detail of temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the balance sheet:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:		
- tax business losses	5,223	1,454
	5,223	**1,454**

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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

18 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	31 March 2023	31 March 2022
Financial assets			
a) Measured at fair value through profit or loss (FVTPL)	Level 3		
Investment in equity/preference instruments of other entities (Refer Note b(iii) below)		548,930	87,908
b) Measured at Amortised cost			
- Cash and cash equivalents		1,669	2,078
Total financial assets		**550,600**	**89,986**
Financial liabilities			
a) Measured at Amortised cost			
- Borrowings		114,683	98,031
- Trade Payables		86	45
Total financial liabilities		**114,768**	**98,076**

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

i) The carrying value of cash and cash equivalents and trade payables measured at amortised cost approximate their fair value.

ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk

iii) Fair value of equity/preference instruments of other entities is estimated based on discounted cash flows valuation technique using the cash flow projections, discount rate and credit risk.

19 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital,Optionally convertible cumulative redeemable preference shares, and all other equity reserves attributable to the equity shareholder of the Company. The Company manages its capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company is neither subject to externally imposed capital requirements nor exposed to external borrowings. For the purpose of the capital management, the management considers the share buy back obligation pertaining to Optionally convertible cumulative redeemable preference shares as part of the Capital.

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. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

20 ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance *
Current Ratio (in times)	Current Assets	Current liabilities	1,294.98	37.64	3341%
Return on Equity Ratio (in %)	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	44%	-5%	-1004%
Trade payables turnover ratio (in times)	Other expenses	Average trade payable	7.12	33.33	-79%
Return on Capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed (Refer Note 1 below)	45.03%	-0.16%	-28387%
Return on investment (ROI) (in %)	Income generated from invested funds (Refer Note 2 below)	Average invested funds in treasury investments (Refer Note 3 below)	9%	21%	-58%

Notes

1. Capital Employed = Total shareholder's equity
2. Income generated from invested funds = Interest Income on Fixed Deposits
3. Average invested funds in treasury investments = Average of (Average quarterly opening treasury investments and quarterly closing treasury investments #)

   # Treasury Investments = Fixed Deposits
4. Average is calculating based on simple average of opening and closing balances.

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

- **Current ratio**

  Current Assets in the form of current investment have increased in current year leading to increased ratio in the current period.
- **Return on Equity ratio**

  The fair value gain on investment in the current year has lead to the increase in return on equity ratio.
- **Trade payables turnover ratio (in times)**

  There is reduction in the amount of other expenses during the year, hence the ratios is declining during the year.
- **Return on Capital employed (ROCE)**

  The fair value gain on investment in the current year which was not there in previous years has resulted in the increase in Retrun on Capital employed.
- **Return on investment (ROI) (in %)**

  There is reduction in the investment on FD, hence ROI ratio is decreased.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

21 RELATED PARTY TRANSACTIONS

a) Names of related parties and related party relationship

Related parties where control exists irrespective of whether transactions have occurred or not

(i) Holding Company	Indiamart Intermesh Limited
(ii) Key management personnel	Mr. Sudhir Gupta, Director Mr. Praveen Kumar Goel, Director Mr. Manoj Bhargava , Director
(iii) Other related parties	Truckhall Private Limited (Associate) Shipway Technology Private Limited (Associate) Agillos E-Commerce Private Limited (Associate) Edgewise Technologies Private Limited (Associate) Adansa Solutions Private Limited (Associate)

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Holding Company		
Indiamart Intermesh Limited		
Issue of 0.01% Optionally convertible cumulative redeemable preference share (OCCRPS)	-	40,000
Issue of 0.0001% Compulsory Convertible Debentures (CCD) (classified as Equity)	212,500	720,000
Loan Received	-	286,500
Loan Repayment	-	(286,500)
Interest on Loan payment	-	2,766
Associates		
Investment in Associates		
Truckhall Private Limited	75,000	110,099
Adansa Solutions Private Limited	137,500	-
Shipway Technology Private Limited	-	181,994
Agillos E-Commerce Private Limited	-	260,004
Edgewise Technologies Private Limited	-	133,450

The following table discloses amounts due to or due from related parties at the relevant year end:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Holding Company		
Optionally convertible cumulative redeemable preference shares -liability component (also refer note 9)	114,683	98,031
Associates		
Truckhall Private Limited	185,099	110,099
Shipway Technology Private Limited	181,994	181,994
Agillos E-Commerce Private Limited	260,004	260,004
Edgewise Technologies Private Limited	133,450	133,450
Adansa Solutions Private Limited	137,500	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

Terms and conditions of transactions with related parties

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

22 GOING CONCERN

The parent company shall provide financial support to the Company, so as to meet its liabilities and commitments as and when the same is required.

23 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

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

Place: New Delhi
Date: 25 April 2023

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
(Director)
DIN: 03604600

Place: Noida
Date: 25 April 2023

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Seventh (7th) Board's Report on the business and operations of the Company together with the Audited Financial Statement and Auditor's Report for the financial year ended March 31, 2023 ('FY 2023').

FINANCIAL HIGHLIGHTS

A summary of the financial performance of the Company in FY 2023 is as follows:

(Amount in INR thousand)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	28,789	25,571
Other Income	1,002	558
Total Income	**29,791**	**26,129**
Financial Cost	5,431	4,762
Other Expenses	25,512	22,873
Total Expenses	**30,943**	**27,635**
Loss before tax	(1,152)	(1,506)
Total Tax Expenses	-	-
(Loss) for the year	(1,152)	(1,506)
Total Comprehensive (loss) for the financial year	**(1,152)**	**(1,506)**
Earnings per Equity Share (₹) – Face value of ₹ 10/- each	(11.52)	(15.06)

REVIEW OF OPERATIONS AND THE STATE OF COMPANY AFFAIRS

During the financial year under review, your Company achieved total revenue from operations amounting to ₹ 28,789 Thousand as compared to ₹ 25,571 Thousand in the previous year. The Company has incurred a loss of ₹ 1,152 Thousand.

CHANGE IN NATURE OF BUSINESS

During FY 2023, there was no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial performance of your Company which occurred between the end of the financial year of the Company and the date of this report.

SHARE CAPITAL

Authorised Share Capital

During FY 2023, there is no change in the Authorised Share Capital of the Company. As on March 31, 2023, the Authorised Capital of the Company is ₹ 51,000,000/- divided into 2,50,000 equity shares having a face value of ₹ 10/- each and 48,50,000 preference shares having a face value of ₹ 10/- each.

Issued, Subscribed and Paid Up Share Capital

(a) Equity Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid Up Equity Share Capital of the Company. As on March 31, 2023, the issued, subscribed and paid up equity share capital of the company is ₹ 10,00,000/- divided into 1,00,000 equity shares having a face value of ₹ 10/- each.

(b) Preference Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid Up Preference Share Capital of the Company. As on March 31, 2023, the issued, subscribed and paid up preference share capital of the company is ₹ 27,750,000/- divided into 27,75,000 preference shares having a face value of ₹ 10/- each.

DIVIDEND

Considering the financial position of the Company, the Directors have not recommended dividend for FY 2023.

TRANSFER TO RESERVES

During FY 2023, the Company did not transfer any amount to the general reserve.

Board's Report (contd.)

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014, and no amount of principal or interest on deposits from the public was outstanding at the beginning and end of FY 2022-23.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During FY 2023, the Company has not given any loan, made any investment or provided any guarantees pursuant to Section 186 of the Act.

PARTICULARIES OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to Section 134(3)(h) of the Act, all the contracts, arrangements and transactions with the related parties as entered by the Company during the financial year under review were on arm's length basis and in the ordinary course of business. Further, during the reporting period, the Company has not entered into any arrangement/ transaction with related parties which could be considered material, accordingly the disclosure of related party transactions in Form AOC-2 is not applicable. The disclosure of Related Party Transactions under Section 188(1) of the Act forms part of financial statements. The statement showing the disclosure of Related Party Transactions have been disclosed in Note No. 19 to the Financial Statements forming an integral part of this Annual Report.

PARTICULARS OF EMPLOYEES

During FY 2023, none of the employees has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting ('AGM').

Accordingly, Mr. Praveen Kumar Goel (DIN: 03604600) is liable to retire by rotation at the ensuing AGM and being eligible offer himself for re-appointment in accordance with provisions of the Act. The Board of Directors of the Company recommended his re-appointment for consideration by the members of the Company at the ensuing AGM. A brief profile, expertise of Director and other details as required under the Act and Secretarial Standards - 2 related to the Director proposed to be re-appointed is annexed to the Notice convening the AGM.

None of the Director or Key Managerial Personnel was appointed/resigned during the financial year ended March 31, 2023.

MEETING OF BOARD OF DIRECTORS

During FY 2023, four (4) Board Meetings were held on April 26, 2022, July 18, 2022, October 17, 2022, and January 16, 2023. The maximum gap between the two (2) meetings did not exceed one hundred and twenty (120) days.

The Composition of the Board along with number of meetings and attendance details are as follows:

S. No.	Name of the Director	Designation	No. of Meetings held during the year	No. of Meeting attended during the year
1	Mr. Shrawan Kumar Sharma	Director	4	4
2	Mr. Praveen Kumar Goel	Director	4	4
3	Mr. Amit Jain	Director	4	4

Note: The Company doesn't have a regular Chairperson of the Board. However, the Board members in their meeting unanimously elect the Chairperson of the Meeting.

COMMITTEES OF THE BOARD

As the provisions of Section 177 & 178 of the Act read with rules made thereunder are not applicable to the Company, no committee of the Board is constituted in terms thereof.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;

b) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detecting of fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee and framing of Policy relating to Appointment & Remuneration of Directors are not applicable to the Company.

AUDITOR'S

Statutory Auditors

M/s Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were re-appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on June 20, 2022, for a term of 5 (Five) consecutive years, i.e., to hold office from the conclusion of the 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company.

The report of the Statutory Auditor forms part of the Annual Report. The said report is self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimer. The Statutory Auditors of the Company have not reported any fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.

Internal Auditor

During FY 2023, the Company was not required to appoint Internal Auditor as per Section 138 of the Act.

Secretarial Auditor

During FY 2023, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Act.

INTERNAL FINANCIALS CONTROLS

Your Board of directors affirms that the internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the statutory auditors of the Company on the inefficiency or inadequacy of such controls.

CORPORATE SOCIAL RESPONSIBILITY

During FY 2023, the provisions of Section 135 of the Act with respect to Corporate Social Responsibility were not applicable to the Company.

COST RECORDS

Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards on Meeting of the Board (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No orders have been passed by any Regulators or Courts or Tribunals, against the Company, which can have impact on the going concern status and the Company's operation in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Company takes its best efforts to conserve the energy consumed in its premises. During the year under review, there was no technology absorption.

The Foreign Exchange earned in terms of actual inflows and outflows, during the year are as follows:

(Amount in INR Thousand)

Details	FY 2022-23	FY 2021-22
Inflows	-	-
Outflows	-	-

APPLICATION/PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During FY 2023, no application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

Board's Report (contd.)

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME STELLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

ACKNOWLEDGEMENT

The Board of Directors of the Company wish to place on record their sincere appreciation to the contributions and valuable cooperation made by every individual associated with the Company through their hard work, dedication, competence, support and co-operation towards the success of your Company and are deeply grateful and thankful for consistent assistance as received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

Your Directors believes in and always uphold the aspects of professionalism, integrity and righteousness across all its functions, activities and departments and focuses on sustainable and profitable growth of the Company.

On behalf of the Board
For **Pay With Indiamart Private Limited**

Sd/-
Praveen Kumar Goel
Director
DIN: 03604600

Sd/-
Shrawan Kumar Sharma
Director
DIN: 07043379

Place: Noida
Date: April 25, 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Pay with Indiamart Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of **Pay With Indiamart Private Limited (**"the Company"), which comprise the standalone Balance Sheet as at March 31,2023 and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone 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 standalone 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 standalone Balance Sheet, of the state of affairs of the Company as at March 31,2023.

(b) in the case of the standalone 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 standalone 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 Standalone 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 standalone 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 31,2023. 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
Revenue recognition (as described in Note 2.2(d) and Note 14 of the standalone Ind AS financial statements)	
Total turnover for the period ended at March 31,2023 amounted to ₹28,789 thousands. The Company generates revenue primarily from web services and follows a prepaid model for its business. Revenue from web services are recognized based on output method i.e. pro-rata over the period of the contract as and when the company satisfies performance obligations by transferring the promised services to its customers.	Our audit procedures included the following: • We read the Company's revenue recognition accounting policies and assessed compliance of policies with applicable financial reporting standards. • We obtained an understanding of the revenue recognition process and tested controls around revenue recognition. • 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.

Key audit matters	How our audit addressed the key audit matter
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. 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.	• 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. • 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. • We also obtained and tested overall reconciliation of revenue and collection as generated from IT systems with accounting system.

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone cash flows and standalone 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 standalone 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 standalone 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 STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone Ind AS financial statements for the financial period ended at March 31,2023 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 standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2023 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial

    (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 2023 that can affect its financial position in its Standalone financials 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 A" 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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBI4396

ANNEXURE A 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 standalone 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 Standalone 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 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 standalone 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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBI4396

ANNEXURE B 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 31,2023 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 March 31,2023, 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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBI4396

STANDALONE BALANCE SHEET

as at 31 March 2023

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

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current tax assets (net)	13	87	52
Total non-current assets		**87**	**52**
Current assets			
Financial assets			
(i) Investments	4	14,308	13,536
(ii) Cash and cash equivalents	5	19,824	20,866
(iii) Others financial assets	6	15,910	11,692
Other current assets	7	530	1,311
Total current assets		**50,572**	**47,405**
Total assets		**50,659**	**47,457**
EQUITY AND LIABILITIES			
Equity	8		
Equity share capital		1,000	1,000
Other equity		5,029	6,181
Total equity		**6,029**	**7,181**
LIABILITIES			
Non-current liabilities			
Borrowings	9	44,059	38,628
Total non-current liabilities		**44,059**	**38,628**
Current liabilities			
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 enterprises		176	105
(ii) Other financial liabilities	11	336	1,504
Other current liabilities	12	59	39
Total current liabilities		**571**	**1,648**
Total liabilities		**44,630**	**40,276**
Total equity and liabilities		**50,659**	**47,457**
Summary of significant 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

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

Place: New Delhi
Date: April 25, 2023

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Noida
Date: April 25, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023

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

	Notes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
INCOME:			
Revenue from operations	14	28,789	25,571
Other income	15	1,002	558
Total income		**29,791**	**26,129**
EXPENSES:			
Finance costs	16	5,431	4,762
Other expenses	17	25,512	22,873
Total expenses		**30,943**	**27,635**
Loss before tax		**(1,152)**	**(1,506)**
Income tax expense			
Current tax	20	-	-
Total tax expense		-	-
Loss for the year		**(1,152)**	**(1,506)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent period			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive Loss for the year		**(1,152)**	**(1,506)**
Earnings per equity share:	18		
Basic Profit/(loss) per equity share		(11.52)	(15.06)
Diluted Profit/(loss) per equity share		(11.52)	(15.06)
Summary of significant 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

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

Place: New Delhi
Date: April 25, 2023

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Noida
Date: April 25, 2023

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023
(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 31 March 2021	**1,000**
Changes in equity share capital during the year	-
As at 31 March 2022	**1,000**
Changes in equity share capital during the year	-
As at 31 March 2023	**1,000**

(B) OTHER EQUITY (REFER NOTE 9)

	Equity portion of OCCRPS (refer note 10)	Reserve and Surplus Retained Earning	Total
As at 01 April 2021	**29,209**	**(21,522)**	**7,687**
Loss for the year	-	(1,506)	(1,506)
Total comprehensive loss	**-**	**(1,506)**	**(1,506)**
As at 31 March 2022	**29,209**	**(23,028)**	**6,181**
Loss for the year	-	(1,152)	(1,152)
Equity contribution	-	-	-
Total comprehensive Loss	**-**	**(1,152)**	**(1,152)**
As at 31 March 2023	**29,209**	**(24,180)**	**5,029**

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

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

Place: New Delhi
Date: April 25, 2023

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Noida
Date: April 25, 2023

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

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

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	**(1,152)**	**(1,506)**
Adjustments for:		
Interest expense	5,431	4,762
Fair value gain on financial assets measured at fair value through profit and loss	(772)	(557)
Operating Profit/(loss) before working capital changes	**3,507**	**2,699**
Movement in working capital		
(Increase)/Decrease in other financial assets	(4,218)	(4,956)
(Increase)/Decrease in other current assets	781	812
Increase/(Decrease) in other liabilities	21	(1)
Increase/(Decrease) in other financial liabilities	(1,169)	(3,751)
Increase/(Decrease) in trade and other payables	71	(46)
Cash generated/(used) from operations	**(1,007)**	**(5,243)**
Direct taxes paid/ (refund)	(35)	(41)
Net cash generated/(used) in operating activities	**(1,042)**	**(5,284)**
CASH FLOW FROM INVESTING ACTIVITIES		
Redemption of mutual funds	-	-
Net cash generated/(used) in investing activities	**-**	**-**
CASH FLOW FROM FINANCING ACTIVITIES		-
Issue of preference share capital	-	-
Net cash generated from financing activities	**-**	**-**
Net (decrease) / increase in cash and cash equivalents	(1,042)	(5,284)
Cash and cash equivalents at the beginning of the year	**20,866**	**26,150**
Cash and cash equivalents at the end of the year	**19,824**	**20,866**
Components of cash and cash equivalents		
Balances with banks:		
- On current/ nodal accounts	19,824	20,866
Total cash and cash equivalents (note 5)	**19,824**	**20,866**

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

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

Place: New Delhi
Date: April 25, 2023

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Noida
Date: April 25, 2023

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 2023.

2. SIGNIFICANT 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 Summary of significant 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) Statement of Compliance

The financial statements for the year ended 31 March 2023 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.

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

b) 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.

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.

c) 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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 21)

d) Revenue recognition

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 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.

e) 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

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for the year ended 31 March 2023

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.

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.

f) 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.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

g) 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.

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

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for the year ended 31 March 2023

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-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:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease

NOTES TO FINANCIAL STATEMENTS

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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 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.

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

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 though 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.

h) 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.

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).

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

i) 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.

j) 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.

k) Contributed equity

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) 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 21for further disclosures.

4. IMPACT OF COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue and cost. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

4 CURRENT INVESTMENTS

Investments in mutual funds- quoted (measured at FVTPL)

	As at March 31, 2023		As at March 31, 2022	
	No. of Units	Amount	No. of Units	Amount
ICICI Prudential Saving Fund-Direct Plan Growth	30,924	14,308	30,924	13,536
Total	**30,924**	**14,308**	**30,924**	**13,536**

5 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Balance with bank		
- On current accounts	19,824	19,118
- On nodal accounts	-	1,748
Total Cash and cash equivalents	**19,824**	**20,866**

Notes:

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

6 OTHER FINANCIAL ASSETS

	As at March 31, 2023	As at March 31, 2022
Current (unsecured, considered good unless stated otherwise)		
Amount recoverable from payment gateway banks (net of provision)	15,910	11,509
Amount recoverable from customers	-	183
Total	**15,910**	**11,692**

These financial assets are measured at amortised cost.

7 OTHER CURRENT ASSETS

	As at March 31, 2023	As at March 31, 2022
Current (Unsecured, considered good unless otherwise stated)		
Balances with government authorities	528	1,304
Prepaid expenses	2	7
Total	**530**	**1,311**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

8 SHARE CAPITAL

Equity share capital

	Number of shares	Amount
Authorised equity share capital		
At 01 April 2021	**250,000**	**2,500**
At 31 March 2022	**250,000**	**2,500**
At 31 March 2023	**250,000**	**2,500**
Issued equity share capital (subscribed and fully paid up)		
At 01 April 2021	**100,000**	**1,000**
At 31 March 2022	**100,000**	**1,000**
At 31 March 2023	**100,000**	**1,000**

a) Terms/ rights attached to equity shares:

1) The Company has only one class of equity shares having a par value of ₹ 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

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (including nominee shares held on behalf of IndiaMART InterMESH Limited)	100,000	100%	100,000	100%

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

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (including nominee shares held on behalf of IndiaMART InterMESH Limited)	100,000	100%	100,000	100%

d) Other equity

	As at March 31, 2023	As at March 31, 2022
Equity portion of optionally convertible cumulative redeemable preference shares (refer note 10)	29,209	29,209
Retained earnings	(24,180)	(23,028)
Total other equity	**5,029**	**6,181**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

9 BORROWINGS

	As at March 31, 2023	As at March 31, 2022
Non-current		
Liability component of compound financial instrument		
Optionally convertible cumulative redeemable preference shares (unsecured)	44,059	38,628
Total	**44,059**	**38,628**

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 ₹ 30 per share including ₹ 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 ₹ 30 per share including ₹ 20 per shar 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 amortise cost.

	Number of shares	Amount
Authorised preference share capital		
At 01 April 2021	**4,850,000**	**48,500**
At 31 March 2022	**4,850,000**	**48,500**
At 31 March 2023	**4,850,000**	**48,500**
Issued preference share capital (subscribed and fully paid up)		
At 01 April 2021	**2,775,000**	**27,750**
At 31 March 2022	**2,775,000**	**27,750**
At 31 March 2023	**2,775,000**	**27,750**

a) Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Optionally Convertible Cumulative Redeemable Prefrence shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited	2,775,000	100%	2,775,000	100%

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

b) Details of shareholders holding more than 5% preference shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Optionally Convertible Cumulative Redeemable Prefrence shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited	2,775,000	100%	2,775,000	100%

10 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Current		
Payable to micro, small and medium enterprises	-	-
Outstanding dues to others	123	52
Accrued expenses	53	53
Total	**176**	**105**

Outstanding for following periods from due date of payment / transaction

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2023					
MSME	-	-	-	-	-
Others	71	52	-	-	123
Accrued expenses	-	-	-	-	53

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2022					
MSME	-	-	-	-	-
Others	52	-	-	-	52
Accrued expenses	-	-	-	-	53

11 OTHER FINANCIAL LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Other advances	336	1,504
Total	**336**	**1,504**

12 OTHER CURRENT LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Tax deducted at source payable	59	39
Total	**59**	**39**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

13 TAX ASSETS AND LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Non-current tax assets (net)		
Income tax assets	87	163
Less: Provision for income tax	-	(111)
Total	**87**	**52**

14 REVENUE FROM OPERATIONS

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of services		
Income from Services	28,789	25,571
Total	**28,789**	**25,571**

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 are not disclosed.

15 OTHER INCOME

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income		
- Others	-	1
Compensation for Legal Damages	230	
Fair value gain on financial assets measured at FVTPL		
- Investment in mutual funds	772	557
Total	**1,002**	**558**

16 FINANCE COSTS

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liability measured at amortised cost	5,431	4,762
Total	**5,431**	**4,762**

17 OTHER EXPENSES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Legal and professional fees	580	561
Referral fees	4,487	4,251
Rates and taxes	7	7
Auditor's remuneration	70	70
Outsourced support cost	762	-
Collection charges	19,423	17,263
Allowances for doubtful debts (including bad debts)	183	721
Total	**25,512**	**22,873**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

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:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit/(loss) for the year	(1,152)	(1,506)
Interest expense on convertible preference shares	5,431	4,762
Adjusted Profit/(loss) for the year	4,279	3,256
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
Total no. of shares outstanding (including dilution)	**2,875,000**	**2,875,000**
Basic Profit/(loss) per equity share	**(11.52)**	**(15.06)**
Diluted Profit/(loss) per equity share	**(11.52)**	**(15.06)**

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 RELATED PARTY TRANSACTIONS

a) Names of related parties and related party relationship

Holding Company Indiamart Intermesh Limited

Key Management Personnel Shrawan Kumar Sharma , Director
Praveen Kumar Goel, Director
Amit Jain, Director

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 year :

	For the year ended 31 March 2023	For the year ended 31 March 2022
Holding Company		
Reimbursement towards indemnifying cases	623	996
Outsourced support cost	762	-
Income from web services	1,847	2,489
Referral fees paid	4,487	4,251

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.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

20 ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance*
Current Ratio (in times)	Current Assets	Current liabilities	88.50	28.76	208%
Return on Equity Ratio (in %)	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	-17%	-19%	-8%
Trade payables turnover ratio (in times)	Other expenses	Average trade payable	182	179	2%
Net capital turnover ratio (in times)	Revenue from operations	Working capital (Current Assets-Current liabilities)	0.58	0.56	3%
Net profit ratio (in %)	Net profit after tax	Revenue from operations	-4%	-6%	-32%
Return on Capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed (Refer Note 1 below)	-71%	-45%	57%
Return on investment (ROI) (in %)	Income generated from invested funds (Refer Note 2 below)	Average invested funds in treasury investments (Refer Note 3 below)	6%	4%	33%

Notes

1. Capital Employed = Total shareholder's equity
2. Income generated from invested funds = FVTPL gain on mutual funds
3. Average invested funds in treasury investments = Average of (Average quarterly opening treasury investments and quarterly closing treasury investments #)

   # Treasury Investments = Mutual funds
4. Average is calculating based on simple average of opening and closing balances.

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

- **Current ratio**

  Primarily due to reduction in the current liabilities in this year

- **Net profit ratio**

  The net loss in the current year is lesser as compared to the previous year, hence the net profit ratio is improved

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

  On account of reduced losses in current year as compare to previous year

- **Return on investment (ROI)**

  On account of increase in returns of mutual funds

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

21 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	31 March 2023	31 March 2022
Financial assets			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds	Level 1	14,308	13,536
		14,308	**13,536**
b) Measured at Amortised cost			
- Cash and cash equivalents		19,824	20,866
- Others financial assets		15,910	11,692
		35,734	**32,558**
Total financial assets		**50,042**	**46,094**
Financial liabilities			
Measured at amortised cost			
- Borrowings		44,059	38,628
- Trade payables		176	105
- Other financial liabilities		336	1,504
		44,571	**40,237**
Total financial liabilities		**44,571**	**40,237**

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

i) The carrying value of financial assets and liabilities measured at amortised cost approximate their fair value.

ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk

22 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company is neither subject to externally imposed capital requirements nor exposed to external borrowings. For the purpose of the capital management, the management considers the borrowings pertaining to OCCRPS as part of the Capital.

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. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

23 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

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

Place: New Delhi
Date: April 25, 2023

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Noida
Date: April 25, 2023

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Ninth (9th) Board's Report on the Business and Operations of the Company together with the Audited Financial Statement and Auditor's Report for the financial year ended March 31, 2023 ('FY 2023').

FINANCIAL HIGHLIGHTS

A summary of financial performance of the Company in the FY 2023 is as follows:

(Amount in INR Thousand)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	10,520	9,225
Other Income	465	364
Total Income	**10,985**	**9,589**
Employee Benefit Expenses	8,336	47,057
Depreciation and amortisation expense	186	475
Financial Cost	64,845	48,826
Other Expenses	4,769	5,949
Total Expenses	**78,136**	**102,307**
Loss before tax	(67,151)	(92,718)
Total Tax Expenses	-	-
Loss for the year	(67,151)	(92,718)
Other Comprehensive income (OCI) for the year, net of tax	273	(1,221)
Total Comprehensive expenses for the financial year	**(66,878)**	**(93,939)**
Earnings per Equity Share (₹) – Face value of ₹ 10/- each	(9.59)	(13.24)

REVIEW OF OPERATIONS

During the financial year under review, your Company achieved total revenue from operations amounting to ₹ 10,520 thousand as compared to ₹ 9,225 thousand in the previous financial year. The Company has incurred a loss of ₹ 67,151 thousand.

CHANGE IN NATURE OF BUSINESS

During FY 2023, there was no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial performance of your Company which occurred between the end of the financial year of the Company and the date of this report.

SHARE CAPITAL

Authorised Share Capital

During FY 2023, there is no change in the Authorised Share Capital of the Company. As on March 31, 2023 the Authorised Capital of the Company is ₹800,000,000/- divided into 10,000,000 equity shares having a face value ₹10/- each and 70,000,000 preference shares having a face value of ₹10/- each.

Issued, Subscribed and Paid Up Share Capital

(a) Equity Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid Up Equity Share Capital of the Company. As on March 31, 2023, the issued, subscribed and paid up equity share capital of the company is ₹ 70,018,000 divided into 7,001,800 equity shares having a face value of ₹10/- each.

(b) Preference Share Capital

During FY 2023, there is no change in the Issued, Subscribed and Paid up Preference share capital of the Company. As on March 31,2023, the issued, subscribed and paid up preference shares of the company is ₹ 224,763,250/- divided into 22,476,325 preference shares having a face value of ₹10/- each.

Board's Report (contd.)

DIVIDEND

Considering the financial position of the Company, the Directors have not recommended any dividend for FY 2023.

TRANSFER TO RESERVES

During FY 2023, the Company did not transfer any amount to the general reserve.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014, and no amount of principal or interest on deposits from the public was outstanding at the beginning and end of FY 2022-23.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During FY 2023, the Company has not given any loan, made any investment or provided any guarantees pursuant to Section 186 of the Act.

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any related party transactions referred to in Section 188(1) of the Act.

PARTICULARS OF EMPLOYEES

During FY 2023, none of the employees has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting ('AGM').

Accordingly, Mr. Prateek Chandra (DIN: 00356853), is liable to retire by rotation at the ensuing AGM and being eligible offer himself for re-appointment in accordance with provisions of the Act. The Board of Directors of the Company recommend his re-appointment for consideration by the members of the Company at the ensuing AGM. A brief profile, expertise of Director and other details as required under the Act and Secretarial Standards - 2 related to the Director proposed to be re-appointed is annexed to the Notice convening the AGM.

None of the Director or Key Managerial Personnel was appointed/resigned during the financial year ended March 31, 2023.

MEETINGS OF BOARD OF DIRECTORS

During FY 2023, four (4) Board Meetings were held on April 26, 2022, July 18, 2022, October 17, 2022, and January 17, 2023. The maximum gap between the two (2) meetings did not exceed one hundred and twenty (120) days.

The Composition of the Board along with number of meetings and attendance details are as follows:

S. No.	Name of the Director	Designation	No. of Meetings held during the year	No. of Meetings attended during the year
1	Mr. Brijesh Kumar Agrawal	Director	4	4
2	Mr. Prateek Chandra	Director	4	4
3	Mr. Manoj Bhargava	Director	4	4

Note: The Company doesn't have a regular Chairperson of the Board. However, the Board members in their meeting unanimously elect the Chairperson of the Meeting.

COMMITTEES OF THE BOARD

Allotment Committee

The Allotment Committee ('Committee') was constituted by the Board of Directors in its meeting held on January 27, 2016 for the purpose of allotment of securities of the Company.

The composition of the Committee on March 31, 2023 is as follows:

S. No.	Name of the Director	Category
1	Mr. Brijesh Kumar Agrawal	Director
2	Mr. Prateek Chandra	Director

During FY 2023, no meetings of the Committee were held.

Board's Report (contd.)

Internal Complaints Committee

An Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013 was duly constituted to redress the complaints received with respect to sexual harassment at workplace as well as to inquire into and make recommendations to the employer on the action required pursuant to its inquiry of such complaint made. The Company also adopted the policy for Prevention of Sexual Harassment of Women at Workplace.

During FY 2023, the Committee was duly dissolved by the Employer as designated under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 consequent to the number of employee falling below the limit of 10.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;

b) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee and framing of Policy relating to Appointment & Remuneration of Directors are not applicable to the Company.

AUDITORS

Statutory Auditors

M/s Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were re-appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on June 20, 2022, for a term of 5 (Five) consecutive years, i.e., to hold office from the conclusion of the 8th Annual General Meeting till the conclusion of the 13th Annual General Meeting of the Company.

The report of the Statutory Auditor forms part of the Annual Report. The said report is self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimer. The Statutory Auditors of the Company have not reported any fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.

Internal Auditor

During FY 2023, the Company was not required to appoint Internal Auditor as per Section 138 of the Act.

Secretarial Auditor

During FY 2023, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Act.

INTERNAL FINANCIALS CONTROLS

Your Board of directors affirms that the internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company on the inefficiency or inadequacy of such controls.

CORPORATE SOCIAL RESPONSIBILITY

During FY 2023, the provisions of Section 135 of the Act with respect to Corporate Social Responsibility were not applicable to the Company.

COST RECORDS

Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards on Meeting of the Board (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During FY 2023, no orders have been passed by any Regulators or Courts or Tribunals, against the Company, which can have an impact on the going concern status and the Company's operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Company takes its best efforts to conserve the energy consumed in its premises. During the year under review, there was no technology absorption.

Board's Report (contd.)

The Foreign Exchange earned in terms of actual inflows and outflows, during the financial year are as follows:

(Amount in INR)

Details	FY 2022-23	FY 2021-22
Inflows	-	3,08,250
Outflows	1,53,956	2,25,809

APPLICATION/PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During FY 2023, no application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME STELLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

ACKNOWLEDGEMENT

The Board of Directors of the Company wish to place on record their sincere appreciation to the contributions and valuable cooperation made by every individual associated with the Company through their hard work, dedication, competence, support and co-operation towards the success of your Company and are deeply grateful and thankful for consistent assistance as received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

Your Directors believes in and always uphold the aspects of professionalism, integrity and righteousness across all its functions, activities and departments and focuses on sustainable and profitable growth of the Company.

On behalf of the Board
For **Tolexo Online Private Limited**

Sd/-
Brijesh Kumar Agrawal
Director & Chief Executive Officer
DIN: 00191760

Sd/-
Manoj Bhargava
Director
DIN: 08267536

Place: Noida
Date: April 26, 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tolexo Online Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of **Tolexo Online Private Limited** ("the Company"), which comprise the standalone Balance Sheet as, at March 31,2023, and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone 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 standalone 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 standalone Balance Sheet, of the state of affairs of the Company as at March 31,2023.

(b) in the case of the standalone Statement of Profit and Loss including other comprehensive income, of the loss 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 standalone 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 Standalone 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 standalone 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, 2023. 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
Revenue recognition (as described in note 2.2(d) and Note 17 of the standalone Ind AS financial statements)	
Total turnover for the period ended at March 31, 2023 amounted to ₹ 10,520 thousands. The Company generates revenue primarily from web services and follows a prepaid model for its business. Revenue from web services are recognized based on output method i.e. pro-rata over the period of the contract as and when the company satisfies performance obligations by transferring the promised services to its customers.	Our audit procedures included the following: • We read the Company's revenue recognition accounting policies and assessed compliance of policies with applicable financial reporting standards. • We obtained an understanding of the revenue recognition process and tested controls around revenue recognition. • 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.

Key audit matters	How our audit addressed the key audit matter
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. The Company's disclosures are included in Note 2.2(d) and Note 17 to the financial statement, which outlines the accounting policy for revenue and details of revenue recognized.	• 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. • 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. • We also obtained and tested overall reconciliation of revenue and collection as generated from IT systems with accounting system.

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone cash flows and standalone 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 standalone 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 standalone 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 STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone Ind AS financial statements for the financial period ended at March 31,2023 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 far 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 standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2023 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial

(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 disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its Standalone financial statement.

(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 were no amounts which were 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 of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 26 April 2023
UDIN: 23095412BGXDBJ4411

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOLEXO ONLINE 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. In respect of the Company's Property, Plant and Equipment:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the company do not own any the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

(d) The company has not revalued its Property, Plant and Equipment or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 and rules made thereunder.

ii. (a) In our opinion and according to the information and explanations given to us, the Company is not having any 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 all 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 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 some 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 which is pending with CIT(Appeals):

Assessment year	Remarks	Amount	Pending before
2016-17	Demand raised for addition of income relating to receipts of securities premium against share allotment to India Mart.	₹5,96,90,660/-	CIT(Appeals)
2017-18	Demand raised for addition of income relating to receipts of securities premium against share allotment to IM	₹ 24,29,93,680/-	CIT(Appeals)

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 standalone 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 Standalone 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) 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 incurred cash losses in the financial year and in the immediately preceding financial year

Particulars	Amt ('000)
Current Financial year 22-23	2,589
Immediately preceding financial year 21-22	43,781

xviii. There has been no resignation of the statutory auditor during the year. Accordingly, clause 3(xviii) 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 realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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. Tolexo Online private limited is a subsidiary of Indiamart Intermesh limited and does not have any subsidiary under it. It is not required to prepare Consolidated Financial statement. Hence, this clause is not applicable.

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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 26 April 2023
UDIN: 23095412BGXDBJ4411

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOLEXO ONLINE 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 of **Tolexo Online Private Limited** ("the Company") as of at March 31,2023 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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 March 31,2023 , 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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date: 26 April 2023
UDIN: 23095412BGXDBJ4411

STANDALONE BALANCE SHEET

as at 31 March 2023

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

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	153	323
Intangible assets	5	32	53
Financial assets			
(i) Loans	6	-	85
(ii) Other financial assets	6	-	195
Non-current tax assets (net)	16	1,896	1,993
Other non-current assets	7	14,613	15,975
Total non-current assets		**16,694**	**18,624**
Current assets			
Financial assets			
(i) Cash and cash equivalents	8	8,820	19,683
(ii) Loans	6	-	706
(iii) Other financial assets	6	195	-
Other current assets	7	441	837
Total current assets		**9,456**	**21,226**
Total assets		**26,150**	**39,850**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	70,018	70,018
Other equity	10	(470,532)	(403,654)
Total equity		**(400,514)**	**(333,636)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	420,311	355,466
Contract Liabilities	15	1,020	1,005
Provisions	14	682	4,474
Total non-current liabilities		**422,013**	**360,945**
Current liabilities			
Financial liabilities			
(i) Borrowings	11	-	-
(ii) Trade payables	12		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		414	388
(ii) Other financial liabilities	13	-	7,216
Contract Liabilities	15	4,060	3,405
Other current liabilities	15	58	724
Provisions	14	119	808
Total current liabilities		**4,651**	**12,541**
Total liabilities		**426,664**	**373,486**
Total equity and liabilities		**26,150**	**39,850**
Summary of significant 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

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

Place: New Delhi
Date: April 26, 2023

For and on behalf of the Board of Directors
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Bharat Sachdev
(Company Secretary)

Place: Noida
Date: April 26, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023

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

	Notes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
INCOME:			
Revenue from operations	17	10,520	9,225
Other income	18	465	364
Total income		**10,985**	**9,589**
EXPENSES:			
Employee benefits expense	19	8,336	47,057
Finance costs	20	64,845	48,826
Depreciation, amortization and impairment expenses	21	186	475
Other expense	22	4,769	5,949
Total expenses		**78,136**	**102,307**
Loss before tax		**(67,151)**	**(92,718)**
Loss for the year		(67,151)	(92,718)
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gain (losses) on defined benefit plans		273	(1,221)
Income tax effect		-	-
		273	**(1,221)**
Other comprehensive income for the year net of tax		**273**	**(1,221)**
Total comprehensive Loss for the year		**(66,878)**	**(93,939)**
Loss per equity share :	23		
Basic loss per equity share (INR) - face value of ₹ 10 each		(9.59)	(13.24)
Diluted loss per equity share (INR) - face value of ₹ 10 each		(9.59)	(13.24)
Summary of significant 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

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

Place: New Delhi
Date: April 26, 2023

For and on behalf of the Board of Directors
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Bharat Sachdev
(Company Secretary)

Place: Noida
Date: April 26, 2023

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

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

(A) EQUITY SHARE CAPITAL (REFER NOTE 9)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 31 March 2021	**70,018**
Changes in equity share capital during the year	-
As at 31 March 2022	**70,018**
Changes in equity share capital during the year	-
As at 31 March 2023	**70,018**

(B) OTHER EQUITY (REFER NOTE 10)

	Equity portion of OCCRPS (refer note 10)	Reserve and Surplus Retained Earning	Total
Balance as at 01 April 2021	**94,721**	**(403,667)**	**(308,946)**
Loss for the year	-	(92,718)	(92,718)
Other comprehensive income/ (loss) for the year	-	(1,221)	(1,221)
Equity contribution	(769)	-	(769)
Total comprehensive loss	**(769)**	**(93,939)**	**(94,708)**
Balance as at 01 April 2022	**93,952**	**(497,606)**	**(403,654)**
Loss for the year	-	(67,151)	(67,151)
Other comprehensive income/ (loss) for the year	-	273	273
Total comprehensive loss	**-**	**(66,878)**	**(66,878)**
Balance as at 31 March 2023	**93,952**	**(564,483)**	**(470,532)**

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

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

Place: New Delhi
Date: April 26, 2023

For and on behalf of the Board of Directors
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Bharat Sachdev
(Company Secretary)

Place: Noida
Date: April 26, 2023

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

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

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(67,151)	(92,718)
Adjustments -		
Depreciation of property, plant and equipment	165	441
Amortisation of intangible assets	21	34
Finance income	(465)	(364)
Interest expense on financial liability measured at amortised cost	64,845	48,826
Operating loss before working capital changes	**(2,585)**	**(43,781)**
Movement in working capital		
(Increase)/ decrease in other assets	2,549	379
(Increase)/decrease in other current financial liabilities	(7,214)	4,435
(Increase)/decrease in trade payables	27	77
Increase/(decrease) in other liabilities	(666)	212
Increase in provisions	(4,206)	947
Increase in contract liabilities	671	(187)
Cash generated from operations	**(11,424)**	**(37,918)**
Income tax paid (net)	96	(174)
Net cash generated/(used) in operating activities	**(11,328)**	**(38,092)**
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of property, plant and equipments	-	6
Interest received	465	363
Purchase of intangible assets	-	(30)
Net cash flows generated used in investing activities	**465**	**339**
Net cash flows (used in)/from investing activities		
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Optionally convertible cumulative redeemable preference share (OCCRPS) (Note 11)	-	52,000
Net cash generated from financing activities	**-**	**52,000**
Net (decrease) / increase in cash and cash equivalents	**(10,863)**	**14,247**
Cash and cash equivalents at the beginning of the year	19,683	5,436
Cash and cash equivalents at the end of the period (Note 8)	**8,820**	**19,683**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	8,820	19,683
Total cash and cash equivalents (Note 8)	**8,820**	**19,683**

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

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

Place: New Delhi
Date: April 26, 2023

For and on behalf of the Board of Directors
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Bharat Sachdev
(Company Secretary)

Place: Noida
Date: April 26, 2023

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

1. CORPORATE INFORMATION

Tolexo Online Private Limited ("the Company") is a private limited company domiciled in India and was incorporated on May 28, 2014 under the provisions of the Companies Act applicable in India. The Company is engaged in the business of building cloud-based solutions for SME businesses to help and manage their business with increased efficiency. 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 26 April 2023.

2. SIGNIFICANT 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 Summary of significant 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) Statement of Compliance

The financial statements for the year ended 31 March 2023 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.

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

b) 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.

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.

c) 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

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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 26)

d) Revenue recognition

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 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.

Rendering of services

Revenue from software services in the form of subscription fee are recognised over the period of contract as and when the services are rendered.

The unaccrued amounts are not recognised as revenue till all related performance obligation are fulfilled and are reflected in balance sheet as contract liabilities (income received in advance).

The Company collects Goods and Service tax (GST) on subscription fee on behalf of the government and, therefore, it is not economic benefits flowing to the Company. Hence, it is excluded from revenue.

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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.

e) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates then separately based on their specific useful lives.

The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013. The Company identifies the components separately, if it has useful life different from the respective property, plant and equipment.

Based on the analysis, Company believes that it does not have any asset having useful life of its major components different from the property, plant and equipment, hence Company believes that there is no material impact on the financial statement of the Company due to component accounting.

Depreciation is calculated on a written down value basis using the rates arrived at based on the useful lives prescribed under Schedule II to Companies Act, 2013. The Company has used the following rates to provide depreciation on its Property, plant and equipment:

Asset	Annual rates
Computers	63.16%
Furniture and fittings	26.89%
Office equipment	45.07%

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end and adjusted prospectively, if appropriate.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses (if any). Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangibles being Software's acquired by the Company are amortised on a written down value at 40% annually.

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g) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five periods. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth period. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent periods, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

h) 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

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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.

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.

i) 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 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.

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

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j) Retirement and other employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented under current financial liabilities in the balance sheet.

Post-employment obligations

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan for its employees i.e. gratuity. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Other long-term employee benefit obligations

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period-end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

k) 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.

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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-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

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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:

- 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.

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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 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 though 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.

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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.

l) 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.

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).

m) 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.

n) 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.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

o) Contributed equity

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) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Further details about gratuity obligations are given in Note 24.

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 26 for further disclosures.

c) Useful life of assets considered for depreciation of Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial Period end.

4. IMPACT OF COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue and cost. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

4 PROPERTY, PLANT AND EQUIPMENT

	Computers	Office equipments	Total Property, Plant and Equipment
Gross carrying amount			
As at 31 March 2021	**3,390**	**917**	**4,307**
Additions / (deletion) for the year	(24)	13	(11)
As at 31 March 2022	**3,366**	**930**	**4,296**
Additions / (deletion) for the year	(59)	-	(59)
As at 31 March 2023	**3,307**	**930**	**4,237**
Accumulated depreciation			
As at 31 March 2021	**2,681**	**869**	**3,550**
Depreciation during year	403	20	423
As at 31 March 2022	**3,084**	**889**	**3,973**
Depreciation during year	151	14	165
Deletion during the year	(54)	-	(54)
As at 31 March 2023	**3,181**	**903**	**4,084**
Net book value			
As at 31 March 2021	**709**	**48**	**757**
As at 31 March 2022	**282**	**41**	**323**
As at 31 March 2023	**126**	**27**	**153**

5 INTANGIBLE ASSETS

	Softwares	Total
Gross carrying amount		
As at 31 March 2021	**767**	**767**
Additions for the year	17	17
As at 31 March 2022	**784**	**784**
Additions for the year	-	-
As at 31 March 2023	**784**	**784**
Accumulated amortisation		
As at 01 April 2021	**697**	**697**
Amortisation for the year	34	34
As at 31 March 2022	**731**	**731**
Amortisation for the year	21	21
As at 31 March 2023	**752**	**752**
Net book value		
As at 31 March 2021	**70**	**70**
As at 31 March 2022	**53**	**53**
As at 31 March 2023	**32**	**32**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

6 FINANCIAL ASSETS

		As at March 31, 2023	As at March 31, 2022
a)	**Non-current (unsecured, considered good unless stated otherwise)**		
	Other financial assets		
	Security deposits	-	195
	Total other financial assets	**-**	**195**
	Loans		
	Loans to employees*		
	considered good- Unsecured	-	85
		-	**85**
b)	**Current (unsecured, considered good unless stated otherwise)**		
	Other financial assets		
	Security deposits	195	-
	Total other financial assets	**195**	**-**
	Loans		
	Loans to employees*		
	considered good- Unsecured	-	706
		-	**706**

7 OTHER ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

	As at March 31, 2023	As at March 31, 2022
Non-current		
Indirect taxes recoverable	14,613	15,975
	14,613	**15,975**
Current		
Balances with Government Authorities	15	-
Advances recoverable in cash or kind	225	137
Prepaid expenses	201	700
Total	**441**	**837**

8 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Balance with bank		
- On current accounts	8,820	19,683
Total Cash and cash equivalents	**8,820**	**19,683**

Notes:

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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

9 SHARE CAPITAL

Equity share capital

	Number of shares	Amount
Authorised equity share capital		
As at 31 March 2021	**55,000,000**	**550,000**
Increase/(decrease) during the year	-	-
As at 31 March 2022	**55,000,000**	**550,000**
Increase/(decrease) during the year		
As at 31 March 2023	**55,000,000**	**550,000**
Issued equity share capital (subscribed and fully paid up)		
As at 31 March 2021	**7,001,800**	**70,018**
Shares issued during the year	-	-
As at 31 March 2022	**7,001,800**	**70,018**
Shares issued during the year	-	-
As at 31 March 2023	**7,001,800**	**70,018**

a) Terms/ rights attached to equity shares:

1) The Company has only one class of equity shares having a par value of INR 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

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (one-one shares held by Brijesh Kumar Agarwal & Dinesh Chandra Agarwal as Nominee of IndiaMART InterMESH Limited)	7,001,800	100%	7,001,800	100%

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

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (one-one shares held by Brijesh Kumar Agarwal & Dinesh Chandra Agarwal as Nominee of IndiaMART InterMESH Limited)	7,001,800	100%	7,001,800	100%

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

Promoter Names

	As at March 31, 2023			As at March 31, 2022		
	Number	% Holding	% Change during the year	Number	% Holding	% Change during the year
Indiamart Intermesh Limited	7,001,798	100.00%	-	7,001,798	100.00%	-
Dinesh Chandra Agarwal (Nominee of Indiamart Intermesh Limited)	1	-	-	1	-	-
Brijesh Kumar Agrawal (Nominee of Indiamart Intermesh Limited)	1	-	-	1	-	-
	7,001,800	**100%**	**-**	**7,001,800**	**100%**	**-**

10 OTHER EQUITY

	As at March 31, 2023	As at March 31, 2022
Equity portion of OCCRPS (refer note 11)	93,952	93,952
Retained earnings	(564,483)	(497,606)
Total other equity	**(470,532)**	**(403,654)**

11 BORROWINGS

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Measured at amortised cost				
Non-current				
Optionally convertible cumulative redeemable preference shares (unsecured)	22,476,325	420,311	22,476,325	355,466
Total	**22,476,325**	**420,311**	**22,476,325**	**355,466**

Notes:

The Company had issued certain Optionally convertible redeemable preference shares (OCRPS). These OCRPS will be optionally convertible into equity shares of the Company at issued price including premium or at fair market value at the time of conversion at the option of holder. The OCRPS will be redeemable (in whole or in part) either at the option of the Company or at the option of the holder of the OCRPS after the expiry of 5 years from the date of allotment but before any time within 20 years from the date of allotment of OCRPS at par/premium. Based on these terms, the OCRPS have been bifurcated into a host non-derivative financial liability component and a separable embedded derivative component (i.e. holders option to convert the OCRPS either at issue price or fair market value at the time of conversion). The non-derivative financial liability component is measured at amortised cost using effective interest rate (EIR) method. The EIR represents the discount rate used to compute the fair value of the non-derivative financial liability component. The separable embedded derivative financial liability is measured at fair value on intial recognition with subsequent changes in fair value recognised through Statement of Profit and Loss and is disclosed under "Net (gain)/loss on derivative financial liability measured at amortised cost".

With effect from 22 February 2019, the Company has changed its terms of OCRPS to Optionally convertible cumulative redeemable preference shares (OCCRPS) to fix the tenure to 31 December 2025 and amount of redemption of preference shares to ₹ 30 per share including ₹ 20 per share for premium on redemption and conversion ratio is fixed for 1:1 per OCCRPS to equity share.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

	Number of shares	Amount
Authorised preference share capital		
As at 01 April 2021	**25,000,000**	**250,000**
Increase/(decrease) during the year	45,000,000	450,000
As at 31 March 2022	**70,000,000**	**700,000**
Increase/(decrease) during the year	-	-
As at 31 March 2023	**70,000,000**	**700,000**
Issued preference share capital (subscribed and fully paid up)		
As at 01 April 2021	**17,276,325**	**172,763**
Increase/(decrease) during the year	5,200,000	52,000
As at 31 March 2022	**22,476,325**	**224,763**
Increase/(decrease) during the year	-	-
As at 31 March 2023	**22,476,325**	**224,763**

a) Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	22,476,325	100%	22,476,325	100%

b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	22,476,325	100%	22,476,325	100%

c) Terms/rights attached to 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). 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 one is to one equity share of the Company at price of ₹ 30 per share including premium of ₹ 20 per share. These OCCRPS will be redeemable (in whole or in part) at the option of the holder of the OCCRPS on 31 December 2025.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

12 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Payable to micro, small and medium enterprises	-	-
Others Trade Payable	-	
Outstanding dues to others	118	24
Accured Expenses	296	364
Total	**414**	**388**

Trade payables are non-interest bearing and are normally settled on 30-day terms.

Outstanding for following periods from due date of payment / transaction

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2023					
(i) MSME	-	-	-	-	-
(ii) Others	118	-	-	-	118
Accrued expenses	-	-	-	-	296
Total	**118**	**-**	**-**	**-**	**414**

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2022					
(i) MSME	-	-	-	-	-
(ii) Others	20	-	-	-	20
Accrued expenses	-	-	-	-	368
Total	**20**	**-**	**-**	**-**	**388**

13 OTHER FINANCIAL LIABILITIES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current		
Payable to employees	-	7,216
	-	**7,216**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

14 PROVISIONS

	As at March 31, 2023	As at March 31, 2022
Non-current		
Provision for employees benefits*		
Provision for gratuity	515	3,429
Provision for leave encashment	167	1,045
	682	**4,474**
Current		
Provision for employees benefits*		
Provision for gratuity	39	298
Provision for leave encashment	80	510
Total	**119**	**808**

**Refer note 24.*

15 CONTRACT AND OTHER LIABILITIES

	As at March 31, 2023	As at March 31, 2022
(a) Contract Liabilities*		
Non-current		
Deferred revenue	1,020	1,005
	1,020	**1,005**
Current		
Deferred revenue	4,060	3,405
	4,060	**3,405**
Total	**5,080**	**4,410**
(b) Other liabilities		
GST payable	1	3
Tax deducted at source payable	55	637
Others	2	
Total	**58**	**724**

** Contract liabilities includes consideration received in advance to render services in future year*

16 TAX ASSETS AND LIABILITIES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Non-Current tax assets (net of provisions)		
Non current	1,896	1,993
	1,896	**1,993**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

17 REVENUE FROM OPERATIONS

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of services		
Income from services	10,520	9,225
Total	**10,520**	**9,225**

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligation that are unsatisfied (or partially unsatisfied) at the reporting date:

	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Income from services	4,060	1,020	3,405	1,005
	4,060	**1,020**	**3,405**	**1,005**

No consideration from contracts with customers is excluded from the amounts presented above.

The Company applies practical expedient in Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Contract liability (deferred revenue)

	As at 31 March 2023	As at 31 March 2022
Income from services	5,080	4,410
	5,080	**4,410**
Non-current	1,020	1,005
Current	4,060	3,405
	5,080	**4,410**

Significant changes in the contract liability balances during the period are as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at the beginning of the period	4,410	4,597
Less: Revenue recognised from contract liability balance at the begnning of the year	(3,333)	(2,923)
Add: Amount received from customers during the year (net of Refund)	11,191	9,038
Less: Revenue recognised from amount received during the year	(7,187)	(6,301)
Closing balance at the end of the year	**5,080**	**4,410**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

18 OTHER INCOME

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on fixed deposit with banks	312	358
Other interest income	10	6
Leave Provision written back	143	-
Total	**465**	**364**

19 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	7,664	44,700
Gratuity expense	406	716
Leave encashment expense	-	662
Contribution to provident and other funds	223	537
Staff welfare expenses	43	442
Total	**8,336**	**47,057**

20 FINANCE COSTS

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liability measured at amortised cost	64,845	48,826
	64,845	**48,826**

21 DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation/ Impairment of property, plant and equipment (refer note 4)	165	441
Amortisation/ Impairment of intangible assets (refer note 5)	21	34
Total	**186**	**475**

22 OTHER EXPENSES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Internet and other online expenses	1,893	1,939
Rent	289	165
Rates and taxes	187	133
Communication costs	147	299
Advertisement expenses	87	1,085
Repair and maintenance:		
-Plant and machinery	62	167
Travelling and conveyance	119	34
Legal and professional fees	1,451	1,389
Auditor's remuneration	70	70
Insurance expenses	455	624
Collection charges	9	29
Miscellaneous expenses	-	15
Total	**4,769**	**5,949**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

Payment to Auditors

	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:		
- Audit fee	70	70
	70	**70**

23 EARNINGS PER SHARE

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

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Basic earning per share		
Loss for the year	(67,151)	(92,719)
Weighted average number of equity shares in calculating basic EPS	7,001,800	7,001,800
Basic earning per share	**(9.59)**	**(13.24)**
Diluted earning per share		
Loss for the period for basic earnings per share	(67,151)	(92,719)
Interest expense on convertible preference shares	64,845	44,070
Adjusted Loss for the year	**(2,306)**	**(48,649)**
Weighted average number of equity shares in calculating basic EPS	7,001,800	7,001,800
Potential equity shares in the form of convertible preference shares	22,476,325	22,476,325
Total no. of shares outstanding (including dilution)	**29,478,125**	**29,478,125**
Diluted earning per share	(0.01)	(0.17)

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.

24 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN

The Company has a defined benefit gratuity plan. Every employee who will complete statutory required year of service, will gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and salary risk.

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

	As at 31 March 2023	As at 31 March 2022
Gratuity - defined benefit plan		
Present value of unfunded defined benefit obligation	554	3,726
	554	**3,726**
Leave encashment - other long term employee benefit plan		
Present value of other long term employee benefit plan	246	1,555
	246	**1,555**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

a) Reconciliation of the net defined benefit (asset) liability and other long term employee benefit plan

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and other other long term employee benefit plan and its components:

Reconciliation of present value of defined benefit obligation for Gratuity

	Gratuity	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	3,726	1,789
Current service cost	161	632
Interest cost	246	84
Re-measurements Actuarial (gains) losses		
- changes in demographic assumptions	-	1,070
- changes in financial assumptions	(33)	(181)
- experience adjustments	(241)	332
Benefits paid	-	-
Transfer In / (Out)*	(3,306)	-
Balance at the end of the year	**554**	**3,726**

** The transfer of liability represent amount paid to the group company on account of transfer of employees during the year.*

Reconciliation of present value of other long term employee benefit plan for Leave encashment

	Leave encashment	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	1,555	1,326
Benefits paid	(1,166)	(434)
Current service cost	121	294
Interest cost	103	62
Re-measurements Actuarial (gains) losses		
- changes in demographic assumptions	-	230
- changes in financial assumptions	(11)	(63)
- experience adjustments	(354)	139
Balance at the end of the year	**246**	**1,555**

b) Expense recognised in profit or loss

	Gratuity	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	161	632
Net interest expense	246	84
Actuarial (gain) loss on other long term employee benefit plan	-	-
Components of defined benefit costs recognised in profit or loss	**406**	**716**
Remeasurement of the net defined benefit liability:		
Actuarial (gain) /loss on defined benefit obligation	273	(1,221)
Components of defined benefit costs recognised in other comprehensive income	**273**	**(1,221)**
Total	**680**	**(505)**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

	Leave encashment	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	121	294
Net interest expense	103	62
Actuarial (gain) loss on other long term employee benefit plan	(366)	306
Components of defined benefit costs recognised in profit or loss	(143)	662
Total	**(143)**	**662**

c) **Actuarial assumptions**

Principal actuarial assumptions at the reporting date

	As at 31 March 2023	As at 31 March 2022
Discount rate	7.30%	6.60%

	As at March 31, 2023		As at March 31, 2022	
	Upto 4 years of service	Above 4 years of service	Upto 4 years of service	Above 4 years of service
Attrition rate				
Ages				
Upto 30 years	15.00%	15.00%	15.00%	15.00%
From 31 to 44 years	15.00%	15.00%	15.00%	15.00%
Above 44 years	15.00%	15.00%	15.00%	15.00%
Future salary growth				
Year 1	12.00%	12.00%	12.00%	12.00%
Year 2	12.00%	12.00%	12.00%	12.00%
Year 3 and onwards	12.00%	12.00%	12.00%	12.00%
Mortality table	India Assured Life Mortality (2012-14)		India Assured Life Mortality (2012-14)	

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity	Increase	Decrease
For the year ended 31 March 2023		
Impact of change in discount rate by 0.50%	(21)	23
Impact of change in salary by 0.50%	22	(21)
For the year ended 31 March 2022		
Impact of change in discount rate by 0.50%	(143)	153
Impact of change in salary by 0.50%	128	(124)
For the year ended 31 March 2021		
Impact of change in discount rate by 0.50%	(33)	204
Impact of change in salary by 0.50%	31	140

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

e) The table below summarises the maturity profile and duration of the gratuity liability:

	As at 31 March 2023	As at 31 March 2022
Within one year	39	298
Within one - three years	104	593
Within three - five years	90	626
Above five years	320	2,210
	554	**3,726**

25 DETAIL OF DEDUCTIBLE TEMPORARY DIFFERENCES AND UNUSED TAX LOSSES FOR WHICH NO DEFERRED TAX ASSET IS RECOGNISED IN THE BALANCE SHEET:

	As at 31 March 2023	As at 31 March 2022
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:		
- tax business losses	365,374	379,359
- unabsorbed depreciation	9,762	9,595
Other deductible temporary differences	800	5,281
	375,936	**394,235**

26 FAIR VALUE MEASUREMENTS

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

	As at 31 March 2023	As at 31 March 2022
Financial assets		
- Cash and cash equivalents	8,820	19,683
- Loan to employees	-	791
- Security deposits	195	195
Total financial assets	**9,015**	**20,669**
Financial liabilities		
Measured at Amortised cost		
- Borrowings	420,311	355,466
- Trade payables & Other Financial liabilties	414	7,604
	420,725	**363,070**
Total financial liabilities	**420,725**	**363,070**

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

i) The carrying value of cash and cash equivalents, loan to employees, trade payables, security deposits and other financial assets and financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.

ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

c) During the period ended 31 March 2023 and 31 March 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

27 CAPITAL MANAGEMENT

The Company manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt 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.

28 ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance*
Current Ratio (in times)	Current Assets	Current liabilities	2.03	1.69	20%
Return on Equity Ratio (in %)	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	-18.29%	-32.39%	-44%
Trade payables turnover ratio (in times)	Other expenses	Average trade payable	11.89	17.02	-30%
Net capital turnover ratio (in times)	Revenue from operations	Working capital (Current Assets-Current liabilities)	2.19	1.06	106%
Net profit ratio (in %)	Net profit after tax	Revenue from operations	-638.32%	-1005.10%	-36%
Return on Capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed (Refer Note 1 below)	-0.58%	-13.16%	-96%

Notes

1. Capital Employed = Total shareholder's equity
2. 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-ROE (in %)**

  Loss in current year has decreased due to reduction in the employee and advertisment cost during the year hence ROE during the year is comparatively better.
- **Trade payables turnover ratio (in times)**

  Decrease in trade payable turover ratio due to reduction in advertisement expenses during the year.
- **Net capital turnover ratio**

  The ratio during the year is improved since reduction in the amount of current liabilities during the year
- **Net profit ratio**

  Loss in current year has decreased due to reduction in the employee and advertisment cost during the year hence net capital ratio improved.
- **Return on Capital employed (ROCE) (in %)**

  Loss in current year has decreased due to reduction in the employee and advertisment cost during the year hence ROCE during the year is comparatively better.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023
(Amounts in INR "Thousands", unless otherwise stated)

29 SEGMENT INFORMATION

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

Information about geographical areas:

The company's revenue from continuing operations from external customers by location of operations and information of its non-current assets by location of assets are detailed below:

	Revenue from external customers	
	For the year ended 31 March 2023	For the year ended 31 March 2022
India	10,463	8,973
Others	57	252
Total	**10,520**	**9,225**

	Non-current assets*	
	For the year ended 31 March 2023	For the year ended 31 March 2022
India	14,798	16,352
Total	**14,798**	**16,352**

** Non-current assets exclude financial assets and tax assets.*

30 RELATED PARTY TRANSACTIONS

i) Names of related parties and related party relationship

a) Holding Company — Indiamart Intermesh Limited

b) Key Management Personnel (KMP)

Director & CEO	Brijesh Kumar Agrawal
Director & CFO	Prateek Chandra
Director	Manoj Bhargava
Company Secretary	Bharat Sachdev (Appointed w.e.f May 01, 2021)

c) Entities under common control under the group — Busy Infotech Private Limited

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of Software Services		
Busy Infotech Private Limited	75	-
IndiaMart InterMesh Ltd (Issue of 0.01% Optionally convertible cumulative redeemable preference share)	-	52,000
Balance of Optionally convertible cumulative redeemable preference share (OCCRPS)		
IndiaMart InterMesh Limited	420,311	355,466

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

Terms and conditions of transactions with related parties

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

31 CONTINGENT LIABILITIES IN RESPECT OF INCOME-TAX DEMAND

	As at 31 March 2023	As at 31 March 2022
(In respect of Assessment year 2016-17, demand was raised for addition of income relating to receipts of securities premium against share allotment made to IndiaMART InterMESH Limited and accordingly the losses to be carried forward by the Company are demanded to be reduced from INR 719,220 to INR 482,070. The matter is pending with CIT(Appeals). The Company is contesting the demand and the management believe that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the financial statements for tax demand raised)	59,691	59,691
(In respect of Assessment year 2017-18, demand of INR 2,42,994 was raised on Tolexo Online Private limited due to addition of income relating to receipts of securities premium against share allotment made to IndiaMART InterMESH Limited . The Company is contesting the demand and the management believe that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the financial statements for tax demand raised.)	242,994	242,994

32 GOING CONCERN

The parent company shall provide financial support to the Company, so as to meet its liabilities and commitments as and when the same is required.

33 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

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

Place: New Delhi
Date: April 26, 2023

For and on behalf of the Board of Directors
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Bharat Sachdev
(Company Secretary)

Place: Noida
Date: April 26, 2023

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Fifteenth (15th) Board's Report on the business and operations of the Company together with the Audited Financial Statements and the Auditor's Report for the financial year ended March 31, 2023 ('FY 2023').

FINANCIAL HIGHLIGHTS

A summary of the financial performance of the Company in FY 2023 is as follows:

(Amount in INR thousand)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	-	-
Other Income	-	2
Total Income	**-**	**2**
Other Expenses	66	50
Total Expenses	**66**	**50**
Loss before tax	(66)	(48)
Total Tax Expenses	-	-
Profit/(Loss) for the year	(66)	(48)
Other Comprehensive loss for the financial year	-	-
Total Comprehensive income/(loss) for the financial year	**(66)**	**(48)**
Earnings per Equity Share (₹) – Face value of ₹ 10/- each	(1.11)	(1.59)

REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

No Business activities were carried out by the Company during the year under review.

CHANGE IN NATURE OF BUSINESS

During FY 2023, there was no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial performance of your Company which occurred between the end of the financial year of the Company and the date of this report.

SHARE CAPITAL

Authorised Share Capital

During FY 2023, there is no change in the Authorised Share Capital of the Company. As on March 31, 2023, the Authorised Share Capital of the Company is ₹ 6,00,000/- divided into 60,000 equity shares having face value of ₹ 10/- each.

Issued, Subscribed and Paid Up Equity Share Capital

As on March 31, 2023, the issued, subscribed and paid up equity share capital of the Company is ₹ 6,00,000/- (Rupees Six Lakhs Only) divided into 60,000 Equity Share Capital having face value of ₹ 10/- (Rupees Ten Only) each.

During FY 2023, the Company has issued and allotted 30,000 equity shares of ₹ 10/- each to IndiaMART InterMESH Limited by way of right issue, pursuant to which the Issued, Subscribed and Paid up Equity Share capital of the Company as on March 31, 2023 stands at ₹ 6,00,000/- (Rupees Six Lakhs Only).

During FY 2023, the movement in the issued, subscribed and paid up equity share capital of the Company is as follows:

Issued, Subscribed and Paid up Equity Share Capital

	Paid up share capital (In ₹)
At the beginning of the year i.e., as on April 01, 2022 *(30,000 equity shares of ₹ 10/- each)*	3,00,000
Equity shares issued & allotted during the financial year *(30,000 equity shares of ₹ 10/- each)**	3,00,000
At the end of the financial year i.e., as on March 31, 2023 *(60,000 equity shares of ₹ 10/- each)*	6,00,000

** Equity shares allotted to IndiaMART InterMESH Limited.*

Board's Report (contd.)

DIVIDEND

Considering the financial position of the Company, the Directors have not recommended any dividend for FY 2023.

TRANSFER TO RESERVES

During FY 2023, the Company did not transfer any amount to the general reserve.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014, and no amount of principal or interest on deposits from the public was outstanding at the beginning and end of FY 2022-23.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During FY 2023, the Company has not given any loan, made any investment or provided any guarantees pursuant to Section 186 of the Act.

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During FY 2023, the Company has not entered into any related party transactions referred to in Section 188(1) of the Act.

PARTICULARS OF EMPLOYEES

During FY 2023, none of the employees has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting ('AGM').

Accordingly, Mr. Praveen Kumar Goel (DIN: 03604600), is liable to retire by rotation at the ensuing AGM and being eligible offer himself for re-appointment in accordance with provisions of the Act. The Board of Directors of the Company recommends his re-appointment for consideration by the members of the Company at the ensuing AGM. A brief profile, expertise of Director and other details as required under the Act and Secretarial Standards - 2 related to the Director proposed to be re-appointed is annexed to the Notice convening the AGM.

None of the Director or Key Managerial Personnel was appointed/resigned during the financial year ended March 31, 2023.

MEETING OF BOARD OF DIRECTORS

During FY 2023, five (5) Board Meetings were held on April 26, 2022, July 18, 2022, September 15, 2022, October 17, 2022, and January 16, 2023. The maximum gap between the two (2) meetings did not exceed one hundred and twenty (120) days.

The Composition of the Board along with number of meetings and attendance details are as follows:

S. No.	Name of the Director	Designation	No. of Meetings held during the year	No. of Meeting attended during the year
1	Mr. Praveen Kumar Goel	Director	5	5
2	Mr. Manoj Bhargava	Director	5	5
3	Mr. Sudhir Gupta	Director	5	5

Note: The Company doesn't have a regular Chairperson of the Board. However, the Board members in their meeting unanimously elect the Chairperson of the Meeting.

COMMITTEES OF THE BOARD

As the provisions of Section 177 & 178 of the Act read with rules made thereunder are not applicable to the Company, no committee of the Board is constituted in terms thereof.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;

b) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

Board's Report (contd.)

the assets of the Company and for prevention and detecting of fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee and framing of Policy relating to Appointment & Remuneration of Directors are not applicable to the Company.

AUDITORS

Statutory Auditors

M/s Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were re-appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on August 28, 2020, for a term of 5 (Five) consecutive years, i.e., to hold office from the conclusion of the 12th Annual General Meeting till the conclusion of the 17th Annual General Meeting of the Company.

The report of the Statutory Auditors forms part of the Annual Report. The said report is self-explanatory and does not contain any qualification, reservation, adverse remarks, or disclaimer. The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.

Internal Auditor

During FY 2023, the Company was not required to appoint Internal Auditor as per Section 138 of the Act.

Secretarial Auditor

During FY 2023, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Act.

INTERNAL FINANCIALS CONTROLS

Your Board of directors affirms that the internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the statutory auditors of the Company on the inefficiency or inadequacy of such controls.

CORPORATE SOCIAL RESPONSIBILITY

During FY 2023, the provisions of Section 135 of the Act with respect to Corporate Social Responsibility were not applicable to the Company.

COST RECORDS

Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards on Meeting of the Board (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No orders have been passed by any Regulators or Courts or Tribunals, against the Company, which can have impact on the going concern status and the Company's operation in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Company takes its best efforts to conserve the energy consumed in its premises. During the year under review, there was no technology absorption and foreign exchange inflow or outflow.

APPLICATION/PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During FY 2023, no application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME STELLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

Board's Report (contd.)

ACKNOWLEDGEMENT

The Board of Directors of the Company wish to place on record their sincere appreciation to the contributions and valuable cooperation made by every individual associated with the Company through their hard work, dedication, competence, support and co-operation towards the success of your Company and are deeply grateful and thankful for consistent assistance as received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

Your Directors believes in and always uphold the aspects of professionalism, integrity and righteousness across all its functions, activities and departments and focuses on sustainable and profitable growth of the Company.

On behalf of the Board
For **Hello Trade Online Private Limited**

	Sd/-	Sd/-
	Praveen Kumar Goel	**Sudhir Gupta**
Place: Noida	Director	Director
Date: April 25, 2023	DIN: 03604600	DIN: 08267484

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Hellotrade Online Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of **Hellotrade Online Private Limited** ("the Company"), which comprise the standalone Balance Sheet as at March 31,2023 , and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone 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 standalone Ind AS financial statements give a true and fair view in conformity with the accounting principle generally accepted in India specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended:

(a) in the case of the standalone Balance Sheet, of the state of affairs of the Company as at March 31,2023

(b) in the case of the standalone Statement of Profit and Loss including other comprehensive income, of the loss 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 cha nges in equity for the period ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone 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 Standalone 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 standalone 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 31,2023. 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.

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone cash flows and standalone 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 standalone 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 standalone 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 STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone Ind AS financial statements for the financial period ended 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 far 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 standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial.

(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 2023 that can affect its financial position in its Standalone 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 were no amounts which were 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 of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

Pankaj Jain
(Partner) Membership No.095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBG8899

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLOTRADE ONLINE 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 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 during the year.

(b) The Investments made, guarantees provided, security given and the terms and conditions of the grant of all 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 subsection (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 standalone 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 Standalone Ind AS financial statement 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) 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 company's 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 incurred cash losses in the financial year and in the immediately preceding financial year.

Particulars	Amount ('000)
Current Financial year 22-23	66
Immediately preceding financial year 21-22	50

xviii. There has been no resignation of the statutory auditor during the year. Accordingly, clause 3(xviii) 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 standalone 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. Hellotrade online private limited is a subsidiary company of IndiaMart Intermash Limited and does not have any subsidiary company under it. It is not required to prepare Consolidated financial statements. Hence, provisions of this clause are not applicable.

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

Pankaj Jain
(Partner) Membership No.095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBG8899

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLOTRADE ONLINE 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 of **Hellotrade Online Private Limited** ("the Company") as of at March 31, 2023 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 March 31,2023 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

Pankaj Jain
(Partner) Membership No.095412

Place: Delhi
Date: 25 April 2023
UDIN: 23095412BGXDBG8899

STANDALONE BALANCE SHEET

as at 31 March 2023

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

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Current assets			
Financial assets			
(i) Cash and cash equivalents	5	333	65
Other current assets	4	3	2
Total current assets		**336**	**67**
Total assets		**336**	**67**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	600	300
Other equity		(388)	(322)
Total equity		**212**	**(22)**
Current liabilities			
(i) Trade payables	7		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		124	89
Total current liabilities		**124**	**89**
Total liabilities		**124**	**89**
Total equity and liabilities		**336**	**67**
Summary of significant 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

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

Place: New Delhi
Date: April 25, 2023

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
Director
DIN: 03604600

Place: Noida
Date: April 25, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023

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

	Notes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
INCOME:			
Other income	9	-	2
Total income		**-**	**2**
EXPENSES:			
Other expenses	10	66	50
Total expenses		**66**	**50**
Loss before tax		**(66)**	**(48)**
Income tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Loss for the year		**(66)**	**(48)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive loss for the year		**(66)**	**(48)**
Earning per equity share:	**11**		
Basic/Dilutive loss per equity share		(1.11)	(1.59)
Summary of significant 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

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

Place: New Delhi
Date: April 25, 2023

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
Director
DIN: 03604600

Place: Noida
Date: April 25, 2023

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

(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 2021	**300**
Changes in equity share capital during the year	-
As at 31 March 2022	**300**
Changes in equity share capital during the yer	300
As at 31 March 2023	**600**

(B) OTHER EQUITY (REFER NOTE 8)

	Reserve and Surplus	
	Retained earnings	Total
Balance as at 01 April 2021	**(275)**	**(275)**
Loss for the year	(48)	(48)
Other comprehensive income	**-**	**(48)**
Balance as at 31 March 2022	**(322)**	**(322)**
Loss for the year	(66)	(66)
Other comprehensive income		
Balance as at 31 March 2023	**(388)**	**(388)**

The accompanying notes are an integral part of the financial statements

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

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

Place: New Delhi
Date: April 25, 2023

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
Director
DIN: 03604600

Place: Noida
Date: April 25, 2023

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

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

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(66)	(48)
Adjustments for:		
Interest income	-	(2)
Operating loss before working capital changes	**(66)**	**(50)**
Movement in working capital		
(Increase)/decrease in financial assets	(1)	(0)
Increase/(decrease) in trade and other payables	35	37
Cash generated from operations	**(32)**	**(13)**
Direct taxes paid (net of refunds)	-	-
Net cash generated/(used) in operating activities	**(32)**	**(13)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	54
Interest income	-	2
Cash flow from investing activities	**-**	**56**
CASH FLOW FROM FINANCING ACTIVITIES		-
Proceeds from Issue of equity share capital	300	-
Net cash generated from financing activities	**300**	**-**
Net (decrease) / increase in cash and cash equivalents	**268**	**44**
Cash and cash equivalents at the beginning of the year	**65**	**21**
Cash and cash equivalents at the end of the year	**333**	**65**
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with banks:		
- On current accounts	333	65
Total cash and cash equivalents (refer note 5)	**333**	**65**
Summary of significant accounting policies		

The accompanying notes are an integral part of the financial statements

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

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

Place: New Delhi
Date: April 25, 2023

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
Director
DIN: 03604600

Place: Noida
Date: April 25, 2023

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

1. CORPORATE INFORMATION

Hello Trade Online Private Limited ("the Company") is a public company domiciled in India and was incorporated on July 03, 2008 under the provisions of the Companies Act applicable in India. The Company is authorized to engage in various business, including conducting domestic trade and international business facilitation, including sales, marketing, operational, technological, information processing and other trade and business related services. 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 2023.

2. SIGNIFICANT 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 Summary of significant 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) Statement of Compliance

The financial statements for the year ended 31 March 2023 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.

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

b) 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.

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.

c) Fair value measurement

The Company measures financial instruments, such as separable embedded derivative financial liability component of optionally convertible cumulative redeemable preference shares (OCCRPS), 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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 12)

d) Revenue recognition

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 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.

e) 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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

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.

f) 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.

g) 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.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

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-through' arrangement; and either (a) the Company has transferred substantially all the risks and

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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:

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

- 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 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 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

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 though 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.

h) 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.

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

NOTES TO FINANCIAL STATEMENTS
for the year ended 31 March 2023

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).

i) 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.

j) 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.

k) Contributed equity

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) 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 12 for further disclosures.

4. Impact of COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue and cost. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

4 OTHER CURRENT ASSETS

	As at March 31, 2023	As at March 31, 2022
Current (Unsecured, considered good unless otherwise stated)		
Prepaid expenses	3	2
Total	**3**	**2**

5 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Balance with bank		
- On current accounts	333	65
Cash and cash equivalents as per statement of cash flows	**333**	**65**

Notes:

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

6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Deposits with		
- remaining maturity upto twelve months	-	-
Total	**-**	**-**

7 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Current		
- Payable to micro, small and medium enterprises		
Other trade payables	124	89

Outstanding for following periods from due date of payment / transaction

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2023					
(i) MSME	-	-	-	-	-
(ii) Others	41	59	24	-	124

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2022					
(i) MSME	-	-	-	-	-
(ii) Others	65	24	-	-	89

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

8 EQUITY SHARE CAPITAL AND OTHER EQUITY

a) Equity share capital

	Number of shares	Amount
Authorised share capital		
At 31 March 2021	**60,000**	**600**
At 31 March 2022	**60,000**	**600**
At 31 March 2023	**60,000**	**600**
Issued share capital (subscribed and fully paid up)		
At 31 March 2021	**30,000**	**300**
Increase during the year	-	-
At 31 March 2022	**30,000**	**300**
Increase during the year	30,000	300
At 31 March 2023	**60,000**	**600**

b) Terms/ rights attached to equity shares:

1) The Company has only one class of equity shares having a par value of INR. 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.

c) Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	60,000	100%	30,000	100%

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	60,000	100%	30,000	100%

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

Details of shareholding of promoters

	As at March 31, 2023			As at March 31, 2022		
	Number	% Holding	% Change during the year	Number	% Holding	% Change during the year
Indiamart Intermesh Limited	59,900	99.83%	0	29,900	99.67%	0.16%
Dinesh Chandra Agarwal (Nominee of Indiamart Intermesh Limited)	100	0.17%	(0)	100	0.33%	-
	60,000	**100.00%**	**(0)**	**30,000**	**100.00%**	**0.16%**

e) **Other equity**

	As at March 31, 2023	As at March 31, 2022
Retained earnings	(388)	(322)
Total other equity	**(388)**	**(322)**

9 OTHER INCOME

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income		
- on fixed deposit with banks	-	3
Total	**-**	**3**

10 OTHER EXPENSES

	For the year ended 31 March 2023	For the year ended 31 March 2022
Legal and professional fees	25	10
Rates and taxes	-	2
Bank charges	1	0
Auditor's remuneration	35	24
Subscription Fee	5	2
Total	**66**	**42**

Payment to Auditors

	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:	35	24
- **Audit fee**	**35**	**24**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

11 EARNINGS PER SHARE

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

Diluted EPS are calculated by dividing the 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 reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Basic/Diluted		
Loss for the year	(66)	(48)
Weighted average number of equity shares in calculating basic EPS	60,000	30,000
Basic/Dilutive loss per equity share	**(1.11)**	**(1.59)**

12 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:

	As at March 31, 2023	As at March 31, 2022
Financial assets		
Measured at Amortised cost		
- Cash and cash equivalents	333	65
- Bank balances other than cash and cash equivalents	-	-
Total financial assets	**1**	**65**
Financial liabilities		
Measured at Amortised cost		
- Trade payables	124	89
Total financial liabilities	**124**	**89**

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

The carrying value of cash and cash equivalents and trade payables measured at amortised cost approximate their fair value.

13 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, and other equity reserves attributable to the equity holders of the parent. The Company manages its capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

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. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

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.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

Ultimate responsibility for liquidity risk management rests with the board of directors, which 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, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

14 ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance *
Current Ratio (in times)	Current Assets	Current liabilities	2.70	0.75	3
Return on Equity Ratio (in %)	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	(0.70)	(27.96)	-98%
Trade payables turnover ratio (in times)	Other expenses	Average trade payable	0.62	0.71	-12%
Return on Capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed (Refer Note 1 below)	(0.31)	2.17	-114%
Return on investment (ROI) (in %)	Income generated from invested funds (Refer Note 2 below)	Average invested funds in treasury investments (Refer Note 3 below)	0.71	0.06	1138%

Notes

1. Capital Employed = Total shareholder's equity
2. Income generated from invested funds = Interest Income on Fixed Deposits
3. Average invested funds in treasury investments = Average of (Average quarterly opening treasury investments and quarterly closing treasury investments #)

   # Treasury Investments = Fixed Deposits
4. Average is calculating based on simple average of opening and closing balances.

* Explanation where variance in ratio is more than 25%

- **Current Ratio**

  Current assets balance increased (increase in share capital) in current year, leading to increased ratio in the current year.

- **Trade payables turnover ratio**

  Decrease in trade payable turnover ratio is due to increase in trade payables in the current year.

- **Return on Equity Ratio**

  Loss in current year has increased as compared to previous year and increase in the capital during the year, leading to negative return on equity ratio.

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

  Return on capital employed decreased due to increase in paid up share capital in the current year

- **Return on investment (ROI) (in %)**

  Balance of investments liquidated during the year, hence return is not applicable.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

15 RELATED PARTY TRANSACTIONS

a) Names of related parties and related party relationship

Holding Company	Indiamart Intermesh Limited
Key management personnel	Mr. Sudhir Gupta, Director Mr. Praveen Kumar Goel, Director Mr. Manoj Bhargava , Director

(b) Related party transactions

	For the Year nded 31 March 2023	or the Year ended 31 March 2022
Issue of Equity share capital		
Indiamart Intermesh Limited	300.00	-
	300.00	**-**

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

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

Place: New Delhi
Date: April 25, 2023

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Praveen Kumar Goel
Director
DIN: 03604600

Place: Noida
Date: April 25, 2023