



# Empowering Businesses

Annual Report 2021-22

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# Basis of Preparation

## Our Approach to the Adoption of Integrated Reporting <IR>

With initiation of FY 2022, IndiaMART has begun its journey towards Integrated Reporting following the <IR> Principles and Framework of Value Reporting Foundation ('VRF'), formed as a merger of International Integrated Reporting Council ('IIRC') and Sustainability Accounting Standards Board ('SASB'). We have adopted such reporting in line with SEBI's circular dated February 06, 2017 asking top 1,000 companies to voluntarily adopt integrated reporting.

Integrated Reporting has emerged as a globally best practice with its focus on meaningfully combining financial and non-financial information to provide an all-inclusive depiction of its value creation over short, medium and long-term. In this Report, we provide information on our six capitals, value creation process, engagement mechanism with stakeholders and our strategic orientation.

In the coming years, we intend to add more elements as per <IR> Framework to make the Report more complete in terms of disclosures to the relevant stakeholders.

## Reporting Principle

The non-statutory section of this Report is guided by VRF's <IR> Framework. The statutory and financial section comply to the requirements of Companies Act, 2013 (and Rules made thereunder), Indian Accounting Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards.

## Reporting Period, Scope and Boundary

The Report covers the key statutory financial information and activities of IndiaMART for FY 2022. Unless explicitly mentioned otherwise, financial figures wherever used are computed on standalone basis. Number and percentages, wherever required, have been rounded off. Material events post March 31, 2022 till April 28, 2022, when the Board of Directors ('Board') approved the Report, have been included. Material information relating to subsidiaries, associates and strategic investments has also been considered while making this Report. Our subsidiaries include Tolexo Online Private Limited, Tradezeal Online Private Limited, Pay with IndiaMART Private Limited, HelloTrade Online Private Limited and Busy Infotech Private Limited. Associates and Investments include Simply Vyapar Apps Private Limited, Ten Times Online Private Limited, Legistify Services Private Limited, Mynd Solutions Private Limited, Edgewise Technologies Private Limited, Mobisy Technologies Private Limited, Shipway Technology Private Limited, TruckHall Private Limited, IB Monotaro Private Limited, Adansa Solutions Private Limited, Fleetx Technologies Private Limited, Zimyo Consulting Private Limited and Agillos E-commerce Private Limited.

## Board Approval

A dedicated reporting team supported by the Executive Management is responsible for drafting the Report. The Board take responsibility for the integrity of this Report. The Report covers IndiaMART's business and associated activities that assist in value creation and provides a balanced representation of the material matters and the strategic orientation of the Company.

# The Transformation Story Unfolds

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To learn more about the Company, visit:

<https://investor.indiamart.com/>



To download the IndiaMART app on your phone, scan the QR code:

IOS



Android



# Empowering Businesses

The transformation journey on which we, at IndiaMART, embarked more than two decades ago, scaled new heights during FY 2022. Taking giant leaps in the new environment catalysed by the COVID-19 pandemic, we innovated contemporary solutions by embracing new technologies and automation tools to address the emerging needs of suppliers and buyers in response to the dynamically changing external eco-system.

Through targeted interventions and decisive actions, we further enhanced the ease of doing business to propel the business transformation of more suppliers and buyers across the country. As the increasing internet adoption further strengthens the opportunity matrix, we see these interventions translating into a bigger outreach for IndiaMART going forward.

**While keeping our eyes firmly on our long-term goals, we continued to make strategic investments in building the ecosystem to enable businesses and facilitate online commerce in the long term. Our path for strong growth is clearly defined and we strive for greater success as we move into the next phase of the journey for the transformation of businesses.**



# Message from MD & CEO



**“With our thrust on Empowering Businesses, we, at IndiaMART, achieved strong business growth during the year.”**

**Dinesh Agarwal**

## Dear Shareholders

As you are aware, this financial year witnessed major transformation in the Indian Economy. From being impacted by COVID-19 Wave 2 in Q1 to a phase of recovery by Q4, it witnessed many troughs and crests. We, at IndiaMART, moved with agility to cater to the changing external dynamics and the evolving needs of our stakeholders during the year. Our role evolved from helping the nation fight pandemic at the start of the year to contributing to economic growth and fast-paced recovery by the end of the year. We closed the year with a wave of excitement as we saw good recovery and invested significantly in strengthening our capabilities to leverage emerging opportunities and to progress in our journey of business enablement.

## Prioritising strategic growth

With our thrust on Empowering Businesses, we, at IndiaMART, achieved strong business growth during the year. Our Collections from customers grew by 32% to ₹ 9,317 million, Deferred revenue witnessed a growth of 25% to ₹ 9,066 million and Paying Subscription Suppliers grew from 152,394 as of March 2021 to 169,324 as of March 2022. To effectively meet the evolving needs of our growing supplier and buyer network, we made focussed investments in the expansion of channel sales partners as well as hired ~1,000 new employees to strengthen our resource base across our product, sales and service functions. The impact of these investments became visible in the last quarter of the financial year as we added our highest ever paying subscription suppliers.

Responding with speed to the changing market needs, we came out with new innovations across our product lines and sales network. In addition to

strengthening the value proposition for Indian Suppliers, we launched an exclusive service for Indian exporters, ‘IndiaMART Verified Export Services’, which enables 50,000 export-oriented sellers on IndiaMART’s platform to expand their business across the globe. This year, we also made progress on conversational commerce as we launched many features in our Lead Manager System to drive better business enablement.

We invested in advanced technologies to enhance matchmaking and boost system efficiencies during the year. I am happy to share that our improvement in relevancy through AI/ML and behavioural data-driven algorithmic matchmaking, our strong tech-enabled, user-friendly and cost-effective platform, have increased customer satisfaction tremendously. Our business enquiries have also grown to 97 million for FY 2022.

As employees are one of the important stakeholders, we took a pioneering step of introducing the first-in-the-industry ‘Weekly payout of Salary’ regime across all levels in the organisation. This was done primarily by taking into account the changing preferences of new-age employees and providing them with better liquidity during the month.

Our efforts to build a larger eco-system to nurture business enablement and digital commerce were also manifested in our various strategic investments during the year. We identified Accounting as an important need for businesses and therefore, acquired Busy & Livekeeping and invested in Vyapar & Realbooks. With these acquisitions and investments, we are now present in all the segments of accounting as we aim to build up a new business line over the next 3-5 years.

Additionally, in line with our strategy of enabling businesses and online commerce, we have made multiple investments in the areas of logistics, supply chain, vertical commerce, financing and other business enablement softwares. Cumulatively, these initiatives will help us further strengthen our core business proposition of product discovery and conversational commerce.

## Looking ahead with optimism

Going forward, we will continue to augment our technology and product suite for further ease of our customers. Our negative working capital business model, strong zero-debt balance sheet, category, regional diversification, and brand awareness will further drive our efforts to realise our customer promise. Coupled with the rapid growth in internet adoption & mobile penetration, we are well poised to leverage the future growth opportunities and are evolving accordingly.

## In conclusion

On this note, I would like to take the opportunity to thank each one of you for your sustained trust in IndiaMART. I am also grateful to our stakeholders, whose continued support and commitment has made it possible for us to make doing business easy and stay firmly on course of our long-term goal. I am confident that together, we shall further empower small and medium businesses, who have emerged as a formidable force in steering India’s growth story which we are committed to partnering.

Regards,  
**Dinesh Agarwal**  
Managing Director and CEO

**32%**  
Growth in collections  
from customers

**25%**  
Growth in deferred revenue

**11%**  
Growth in paying subscribers

**36%**  
Growth in employee  
headcount

**25%**  
Growth in cash generated  
from operations



# Scaling Transformation to New Heights

## Corporate Identity

India's largest online B2B marketplace, IndiaMART is at the forefront of transforming the landscape to facilitate ease of doing business through a well-entrenched network of hi-tech solutions and services. While the business established its roots in 1996, the Company was founded in 1999. The Company connects buyers and suppliers across product categories and geographies in India.

### We provide a platform

- To facilitate seamless discovery of products & services
- To enable conversational commerce

### We provide ease and convenience

- To buyers through a wide assortment of products & services and a responsive supplier base
- To suppliers through a simple and easy-to-use platform which helps them in lead generation, lead management and online payments

### We make doing business easy

- By building a digital presence for businesses and facilitating commerce
- By providing easy-to-use software as a service for business transformation

(Figures as of March 31, 2022)

\*Traffic is defined as the number of visits on the desktop website, mobile website and mobile app of the Company

We are committed to ensuring convenience of commerce from anywhere, anytime in a hassle-free manner by empowering businesses through easy online solutions



**7.1 million**  
Supplier Storefronts



**1,071 million**  
Total Traffic\*



**169,324**  
Paying Subscription Suppliers

**83 million**  
Products



**97 million**  
Unique Business Enquiries



**149 million**  
Registered Buyers



**550 million**  
Business Enquiries Delivered





## Our Core Values



### Team Work

"Together we can achieve the impossible" is our belief. Our success is a result of our teamwork. We have experts from the field of management, marketing, IT, arts, content & various other disciplines who work cordially as a team on every project, every endeavour. Dedication and passion are the true means to our mission fulfilment.



### Integrity

We realise the importance of the job & information we handle. We understand the responsibility that each member of our team has to shoulder and we do that with highest levels of trust, honesty and integrity of purpose and action.



### Responsibility

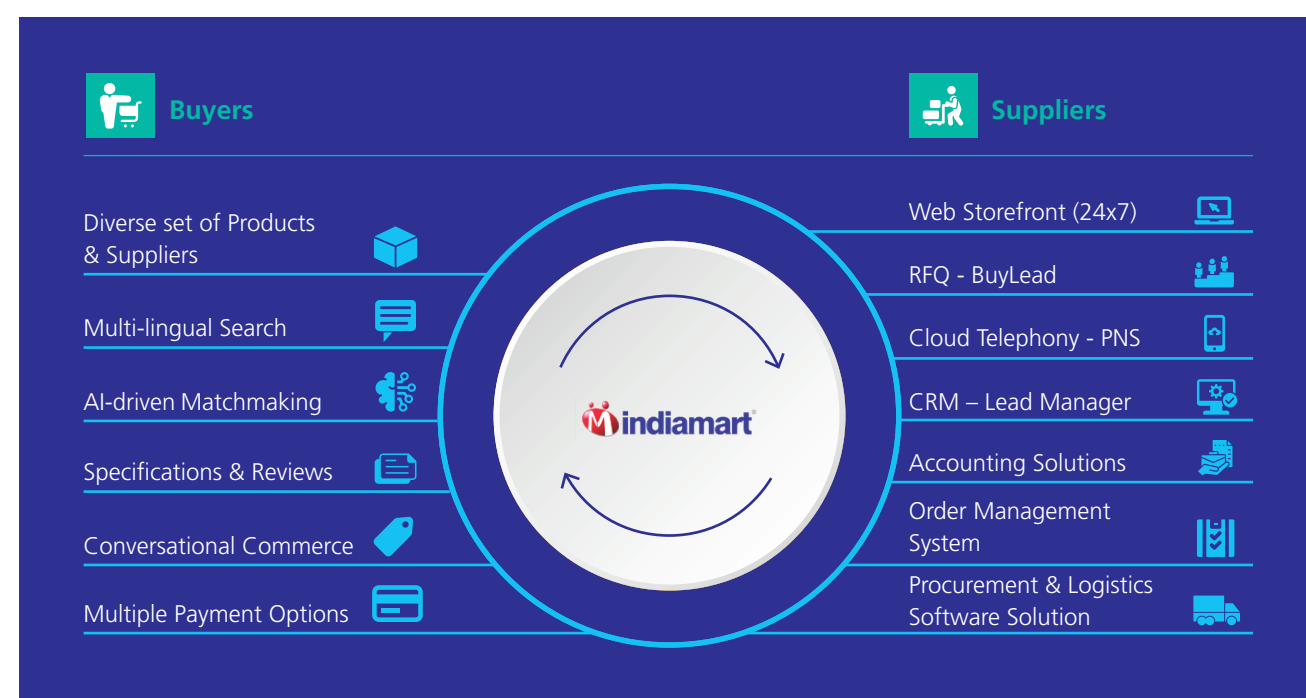
Responsibility, not just for quality work but for continuous self-development, of our decisions and of our actions. This helps us think rationally and provide a sense of accountability to ourselves, our commitment to customers and to our colleagues.



### Passion

Work at IndiaMART involves constant innovation and creativity. It involves a continuous thought process to get tangible benefits for our customers, considering the uniqueness of their purpose. Passionate people with a determination to make the difference are the ones who make this possible.

## What IndiaMART Offers To



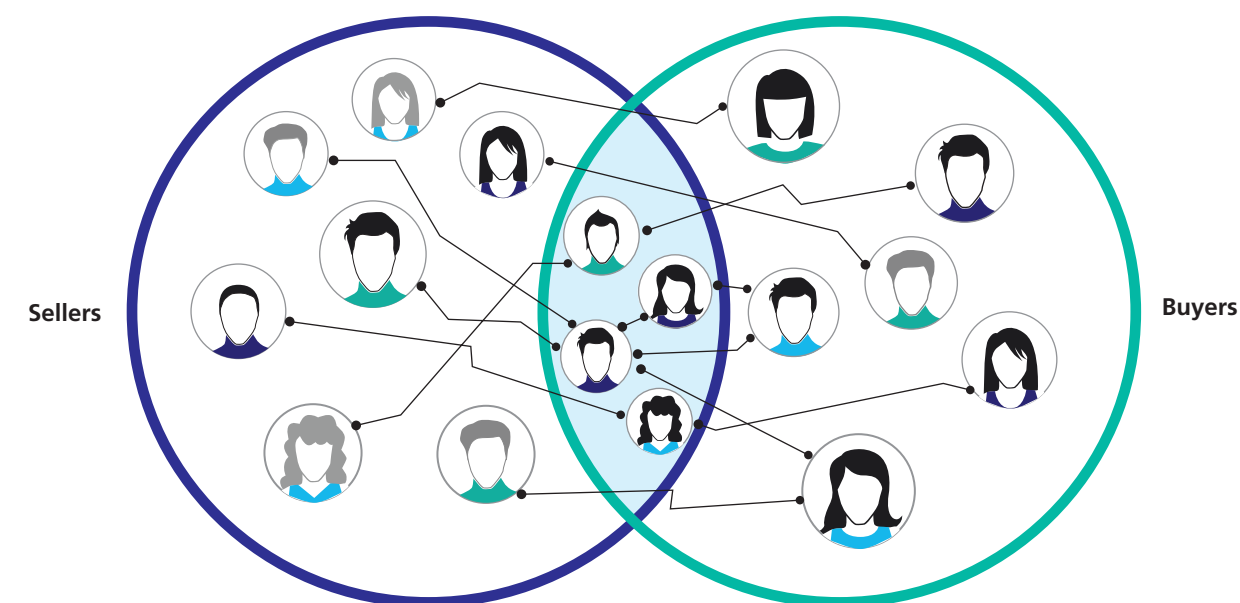
Buyers are attracted to our marketplaces due to accessibility of wide range of products and services across varied industries. Sellers are attracted to our marketplaces because of our strong traffic, which leads to increased business enquiries and convenience on our platform.

## Strong Network Effects

As we maintain and grow our base of buyers and suppliers, we believe that a network effect leads to our large and growing number of buyers generating more enquiries for our suppliers. This, in turn, attracts more suppliers and storefronts, which then appeals to gamut of buyers.

In addition to the network effects, we also gain from the community effects on account of the business profile of our suppliers, and the products as well as services listed on our marketplace. As a result of these features, a number of suppliers for one product or service category on our marketplace become buyers for products or services in other categories.

These network and community effects enable us to significantly leverage our operations in order to effectively implement our growth strategies.



## Our De-Risked Business Proposition

At IndiaMART, we have aligned our strategic approach to be de-risked and diversified for our supplier base across industries and geographies. From Small and Medium businesses comprising the core base of our supplier community, we have, over the years, expanded the ambit of our business proposition

to cover large businesses and leading brands. We have strategically focussed our efforts on making IndiaMART an effective and engaging platform for these enterprise customers brands, while sustaining our efforts to strengthen our small and medium supplier base.

**IndiaMART has a diversified portfolio, with no single industry accounting for more than 10% of paying subscription suppliers.**

## Our Diversified Portfolio With End-To-End Value Chain Discovery Proposition

IndiaMART marketplace offers listings covering diverse industry, product and service categories, across the value chain – ranging from raw materials, to machinery, to components and finished goods. We strive to make our offerings well-suited to the needs of buyers and enable them to receive comprehensive information on a variety of products and services. At the same time, they are designed to help buyers communicate effectively with a gamut of suppliers.

**83**  
million  
Product Listings

**95,000**  
Categories

**56**  
Industries

At IndiaMART, we offer buyers and sellers a large bouquet of wide-ranging products and services across



## Year in a Nutshell

**₹ 9,317**  
million



Collections from Customers

32% ↑

**₹ 8,586**  
million



Total Income

14% ↑

**₹ 7,508**  
million



Revenue from Operations

13% ↑

**₹ 4,068**  
million



Cash generated from Operations

25% ↑

**₹ 3,121**  
million



EBITDA

6% ↓

**₹ 3,098**  
million



Net Profit

8% ↑

**₹ 9,066**  
million



Deferred Revenue\*

25% ↑

**₹ 24,137**  
million



Cash and Investments

2% ↑

**₹ 101.83**



EPS

3% ↑

\*Includes advances from customers





## Our Geographical Expanse

Powered by a robust network of offices and Field and Tele channel partners, we have expanded our reach to 1,000+ cities. We have a well-diversified base of suppliers and buyers across geographies.



### Nationwide Sales and Service Coverage

Presence of sales and service coverage in  
**1,000+** Cities/Towns

Wide network of own sales force and channel partners through Field Sales Force ('FSF'), Tele and Online modes

**Metro Cities:** Delhi NCR, Mumbai, Bengaluru, Hyderabad, Kolkata, Ahmedabad, Pune and Chennai

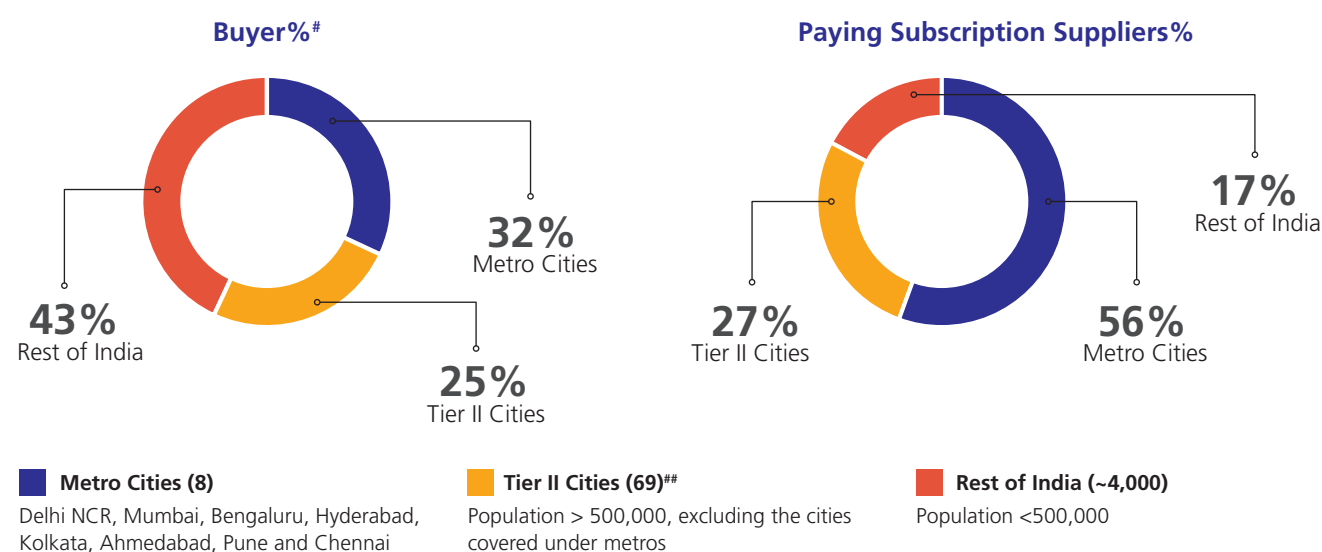
**Tier II Cities\***

**Rest of India\*\***

Note: Map not to scale.  
Figures as on March 31, 2022

\*Population more than 500,000, excluding metro cities  
\*\*Population less than 500,000

## Well Diversified Across Geographies



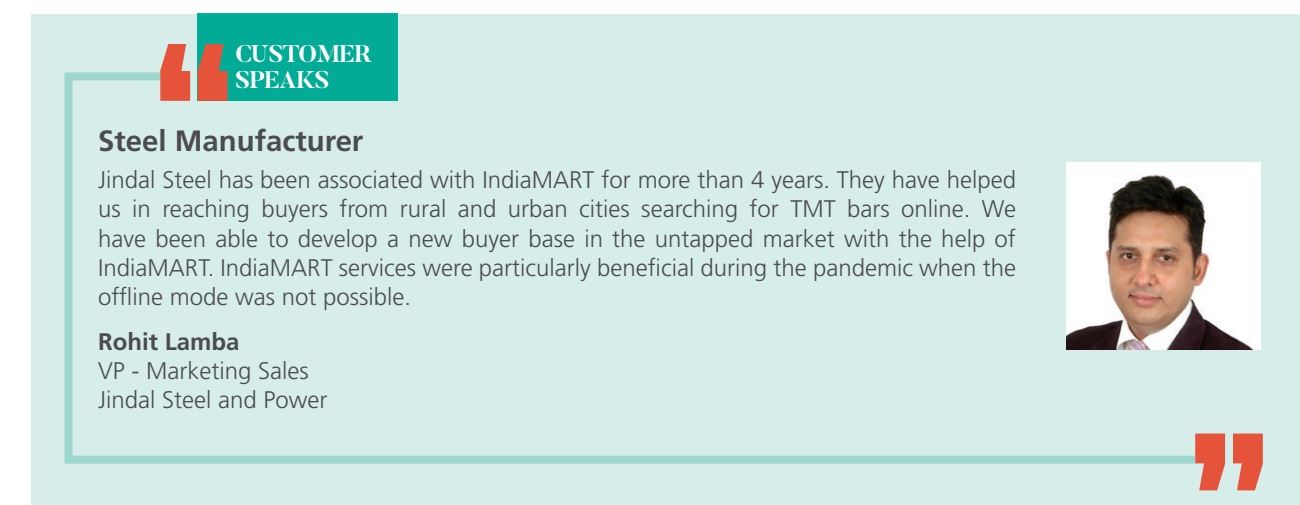
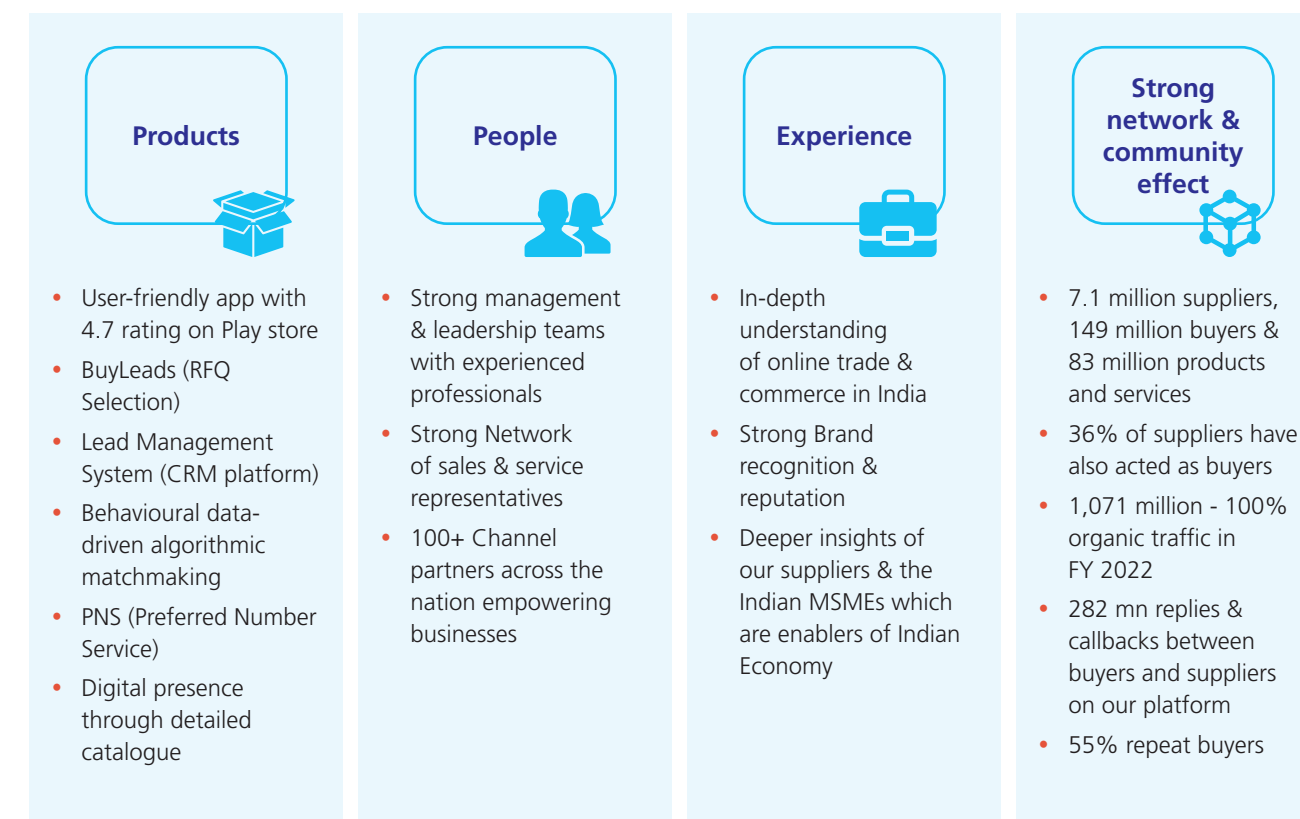
Note: As on March 31, 2022; Figures have been rounded off.

# Basis aggregate buyers who have submitted enquiries during the last 5 years

\*\*Population as per census of 2011

## The IndiaMART Edge...

The IndiaMART business proposition, with its glorious 26-year legacy, is driven by the strong core of its competitive strengths, which we continue to augment year-on-year through our targeted initiatives and investments. This robust framework of strengths will continue to propel our growth and enhance our stakeholder value proposition in the coming years.



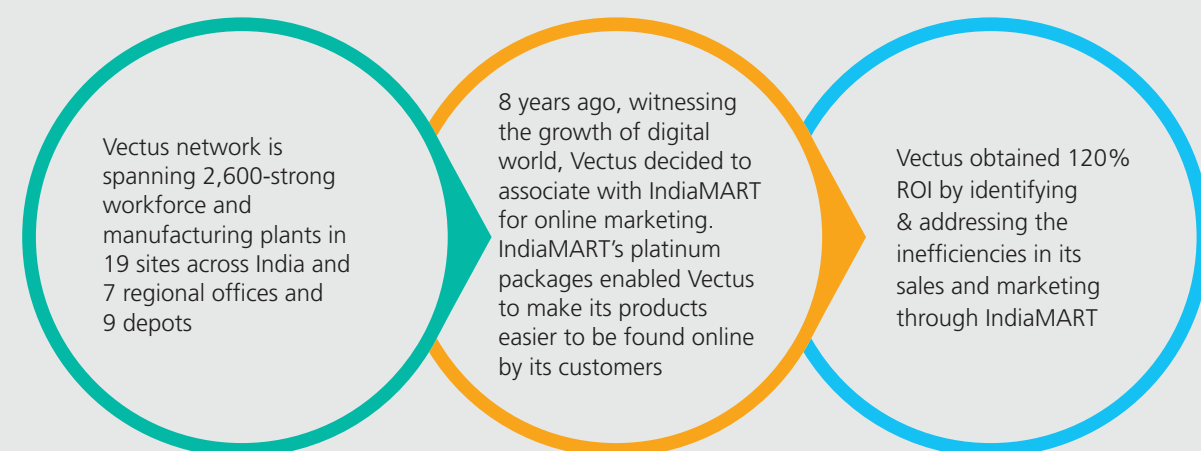
## Case Study

# VECTUS IMPROVES ONLINE PERFORMANCE WITH INDIAMART

Vectus Industries Limited is the supplier of polymer-based water storage and piping solutions. It had the necessary network, spanning 2,600-strong workforce and manufacturing plants in 19 sites across India and 7 regional offices and 9 depots, to continue growing its business offline. However, seeing the immense potential of the digital world, it decided to connect with online platforms much before any of its competitors. But the company was unable to find a suitable platform that understood its requirements to the extent it intended, until it tried IndiaMART.

The 8-year association has helped Vectus scale its business prospects manifold, as IndiaMART gave it a prominent position in its product listings. Subscription of IndiaMART's platinum packages enabled Vectus to make its products easier to be found online by its customers.

As a result of IndiaMART's data-driven research, the lead qualifying rate of Vectus went up to 25%. Vectus' conversion rate peaked at 8% on qualifying leads, translating into several substantial conversions for the company. This data was sent back into the funnel to increase campaign targeting and performance. IndiaMART's SEO approach guided customers directly to keywords related to Vectus' product categories. Further, the voice and vernacular search capability of IndiaMART enabled Vectus to enter Tier-II/III markets.



IndiaMART is vested in our success for a long time and that is what makes us want to collaborate even further. We value their technology, reliable SEO efforts, and easy-to-use platform. Our experience with IndiaMART has been exceptional.

**Mr. Vijay J,**  
**AGM - Sales Operations**  
**Vectus**



### 25%

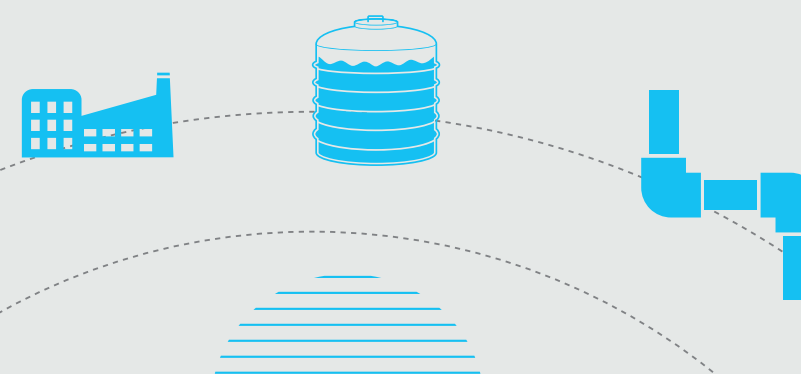
Lead qualifying rate  
with IndiaMART

### 8%

Lead conversion rate

### 120%

ROI obtained through  
IndiaMART





# Resources we Deploy to Create Value Across Six Capitals

Our investments in capitals are driven by efforts to ensure sustained value creation and delivery to the stakeholders. These are guided by our ability to think beyond the traditional financial metrics and make impactful business decisions with resource deployment across all six capitals for the long term.



## Financial Capital

Funds at disposal to support business operations and investing in growth. Our prudent capital allocation strategy and fund deployment ensures balance sheet robustness, returns to shareholders as well as sustain leadership in the industry.



## Intellectual Capital

Intellectual property, research-led deep market understanding, process knowledge, proprietary data, brand, behavioural data-driven algorithmic matchmaking, investments in process and advanced technologies like AI/ML which makes our platform more efficient and enable a good customer experience.



## Social and Relationship Capital

- Suppliers and buyers who interact on our platform and to whom we provide support in growing business with ease
- Channel partners and FSF who help us to widen our reach and to whom we provide growth opportunities and enabling work conditions
- Stakeholders community for whom we create value through job creation and developmental activities



## Human Capital

Our employees, people working in outsourced functions like sales, catalogue creation, enquiries enrichment, product & tech team working with constant focus on innovation. Dedicated team of personnel by channel partners cater to our leads exclusively, thus making them our primal assets.



## Manufactured Capital

IT infrastructure, digital tools and marketplace platform, branch offices, data centres, and office fixtures.



## Natural Capital

Renewable and non-renewable resources used in business, sustainability initiatives and resultant impact on the environment.

More details on our environmental impact and initiatives can be read on page 16 of this report

- Efficiently carrying out buyer and supplier behavioural data-driven algorithmic matchmaking and conversations between buyers and suppliers
- Generating Revenues from subscription packages and advertising
- Focussing on capital efficiency
- Building people capabilities and creating an enabling environment
- Prudently managing risks and opportunities
- Buyers & suppliers diversified across categories and geographies
- Well defined governance framework
- Deploying tech-enabled user-friendly, easily accessible and trusted platform
- Subscription-based revenue model with negative working capital
- Dividend and share buybacks as returns to our investors
- Strong network effects

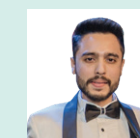


## CUSTOMER SPEAKS

### Wholesale Stockist

We joined IndiaMART 12 years ago with an intent to build brand awareness as well as to scale up our business enterprise on the digital front. Happy to say that IndiaMART has been consistently delivering on these throughout the years, and I am confident that it will continue to do so in the coming years as well.

**Pranit Mehta**  
Managing Director  
Dmsons Metal Pvt Ltd



## CUSTOMER SPEAKS

### Construction Equipment Manufacturer

Traditionally, construction equipment was never bought through an online medium. We partnered with IndiaMART to maximise our reach to every potential customer of a Hydraulic Excavator, Cranes, Piling Rigs, Road &, Mining Equipment. SANY is the fastest growing organisation in this industry for the last 5 years and we intend to extend that streak.

The experience with IndiaMART has been quite satisfying. I think they have a talented bunch of backend service managers. We have been getting encouraging numbers in terms of leads, and we hope the conversion increases to 15-20% in the long term.

**Dheeraj Panda**  
Chief Operating Officer, (Sales, Marketing & Customer Support)  
SANY South Asia



# Our Value Creation Model

## Inputs



### Financial Capital

- ₹19,641 million capital employed
- ₹9,066 million deferred revenue\*
- ₹24,137 million consolidated cash and investments



### Manufacturing Capital

- 38 Branches across 23 cities
- 83 million listed products with specifications and price discovery



### Intellectual Capital

- Strong brand
- Proprietary behavioural data-driven algorithmic matchmaking
- Investment in innovation and digital technologies including in AI/ML across various aspects of user journey



### Human Capital

- ~20% employees covered under ESOP/SAR
- 100+ channel partners for sales
- ₹ 2,628 million total employee benefit expense



### Natural Capital

- Priority to green buildings
- Automation & digitalisation driving towards paperless operations
- 33.15 m<sup>3</sup> Rainwater harvesting capacity



### Social Capital

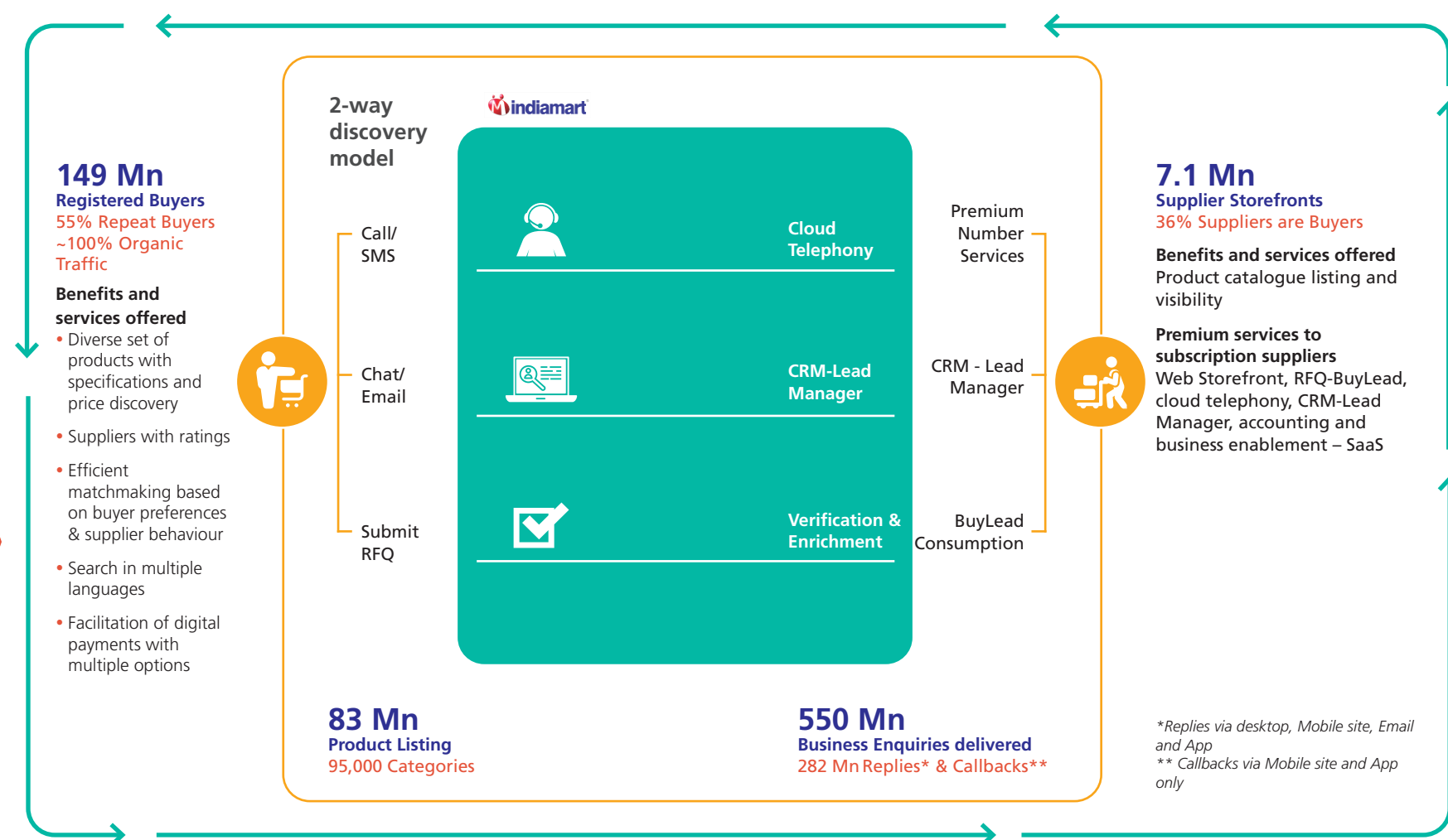
- 149 million registered buyers
- 7.1 million supplier storefronts
- 43% buyers are from small towns\*\*
- ₹ 36.37 million spent on CSR initiatives

\*Includes advances from customers

\*\*Population less than 500,000

## Value Creation Process

We run a 2-way discovery marketplace that offers buyers and sellers to discover and converse with each other for trade opportunities resulting in strong network effects



\*Replies via desktop, Mobile site, Email and App

\*\* Callbacks via Mobile site and App only

## Outcomes

₹ 8,586 million

Total Income

₹ 3,098 million

PAT

₹4,068 million

Cash Generated from Operations

3,672

Total Number of Employees

97 million

Unique Business Enquiries

1,071 million

Total traffic on platform (~100% organic and 80% through mobile)

More than

1 million

lives touched through our CSR Initiatives

1.2 million

Green products listed on platform bifurcated into 819 categories

0.9 million

Buying requests for green products facilitated

## Key Offerings



Web Storefront



Cloud Telephony - PNS



Priority Listing



RFQ Selection Credits - BuyLead



CRM-Lead Manager



Online Payment



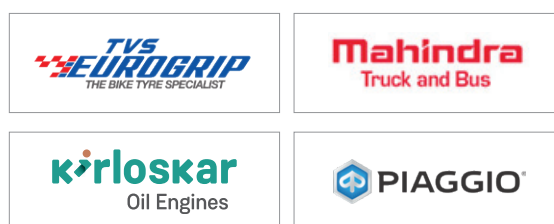
Buyer Profile



# Enterprise Solution

IndiaMART facilitated promotion of businesses online, not just for MSMEs, but for large enterprises as well. We have been instrumental in not only opening a new channel for business promotions but also in handholding them to smoothen the transition from offline to the online medium and scale up their position in the digital market. We empower brands to expand their reach by enabling strong visibility and providing effective lead generation.

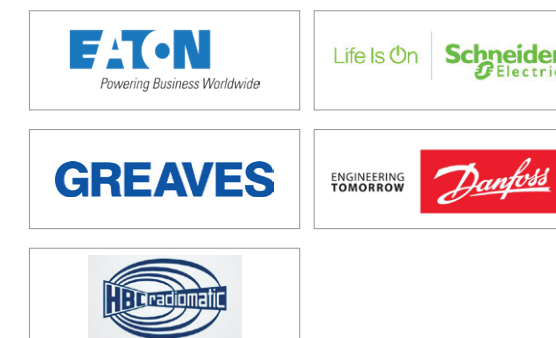
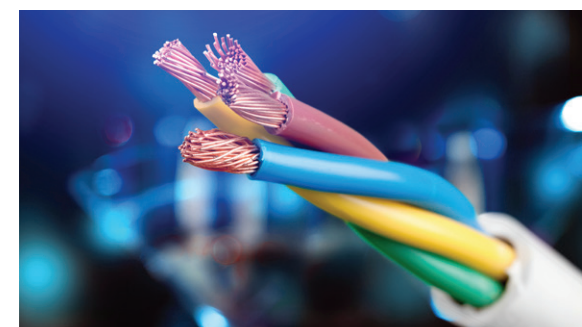
## Automobiles, Spare Parts and Accessories



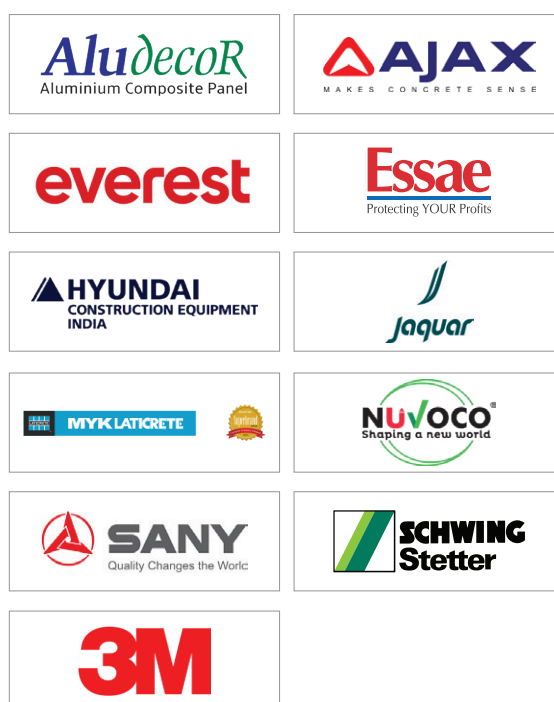
## Consumer Electronics



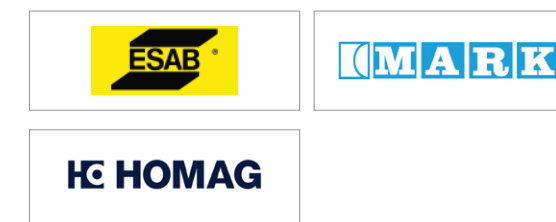
## Electrical Equipment and Supplies



## Building Construction Material, Equipment, Civil Engineering and Real Estate



## Industrial Plants, Machinery & Equipment



## Medical Equipment and Scientific Instruments





# Shaping the Right Strategy aligned to the External Context

Growth revival in the Indian economy and the manifold rise in the overall Internet adoption is leading to a massive surge in India's online commerce space. Being India's leading and the oldest B2B player, with a robust product, technology and brand, we aim at being well-positioned to capitalise on the opportunity.

## The External Environment in Which We Operate

### Growth in Indian Economy

Provisional estimates released by National Statistical Office states that the Indian GDP grew by 8.7% in FY 2022 with the COVID-19 crisis showing signs of easing helping in the recovery of urban demand and forecast of normal monsoon leading to improving of rural demand. Overall, there is a distinct improvement in the domestic macroeconomic conditions in India due to the overall improvement in sentiments among the consumers.

### Business Growth

The positivity in the Indian economic landscape is translating into revival in mobility and business activity. This is manifested in the record GST collections in FY 2022 and the large number of

new companies being registered during the year. In March 2022, GST collections recorded an all-time high of ₹1.42 lakh crores. This resulted in average monthly collection in FY 2022 standing at ₹1.24 lakh crores. According to data from the Ministry of Corporate Affairs, 1.67 lakh new companies were incorporated during the fiscal under review.

### Internet Adoption

The revival in business, particularly in the Micro, Small & Medium Enterprise ('MSME') segment, is leading to increased digital adoption in the country. India has seen rapid growth in its internet consumption, with the number of users crossing 830 million mark in 2021 and average internet data usage surging over 11x to 14.1 GB per month

from 2018 levels. More and more SMEs are now getting "digitally influenced" and are getting listed on aggregator portals or social platforms etc. The Indian B2B marketplaces have been witnessing strong growth. The sector is facilitating buyers in discovering high quality goods at reasonable prices and it is expected to continue its growth momentum.

Our key strategy involves consistent and continuous enhancements in our platform. We strive to make our matchmaking platform simpler and more user-friendly for enhanced and seamless adoption. We innovate to add new, improved features on our B2B marketplace platform on an ongoing basis to make them attractive to buyers



## Our Strategy



and sellers. We aim at strategically focussing on expanding network of buyer and supplier to grow our business.

We are progressively evolving our business strategy to further focus on large and medium enterprises as part of our paying subscription suppliers, thereby improving our profitability and stakeholder value creation.

We are building an ecosystem to further enhance engagement of buyers and suppliers by providing software as a service in areas such as logistics, accounting, procurement, order management, etc. We have already made strategic investments in Busy, Realbooks, Vyapar, Fleetx, Shipway, SuperProcure, M1xchange, EasyEcom, Industry Buying, Aerchain, Bizom, Legistify and Zimyo. These are intended to assist the Company in enablement of business and commerce on its platform.

### Finding a Strategic Fit in Accounting Solutions

During the year, we have made significant investments in accounting sector to further enhance our value proposition to our customers. Accounting software is a large and growing market and is a necessity for businesses leading to high customer stickiness.

The investments in the accounting space will provide us access to wider client base and to expand our service

offerings such as facilitation of invoice discounting / transaction financing, order & inventory management among a host of other services in our long-term goal of business enablement.

Our investments are spread across the entire spectrum of accounting service delivery models to cater to the various enterprises, be it small, medium or large. Vyapar which is one of our first investment, is mobile-based easy-to-use Accounting Software catering to small businesses with a goal to help the businessman invest more time in growing the business rather than on tiresome bookkeeping.

To cater to a wider range of clients mostly medium and large-sized, we invested in Busy, a traditional on-premises accounting software vouched by businesses for its reliability. We have also invested in Realbooks, which is a cloud-based accounting software that comes with various USPs including unlimited number of user setup, multi-location access, versatility across all operating systems, etc. We also recognised the growing need of businesses to be able to remotely manage their accounts on mobile and invested in Livekeeping, which provides various value-added services including data entry, real-time dashboard for performance analysis, among many others to Tally users, on mobile.

## CUSTOMER SPEAKS

### OEM Manufacturer of Instruments

LYNX brand joined IndiaMART 3 years ago. We wanted to expand our services to a wider range of customers and IndiaMART has helped us in achieving our goal. We were getting consistent leads and most of them turned out to be very useful for us. I would like to highlight that our ideologies are also similar as we both believe in consistency and result-oriented processes. We hope to get the same support in the following years as well.

**S. Gabriel Vasanthakumaran**  
Assistant General Manager  
Lawrence And Mayo (I)  
Pvt Ltd



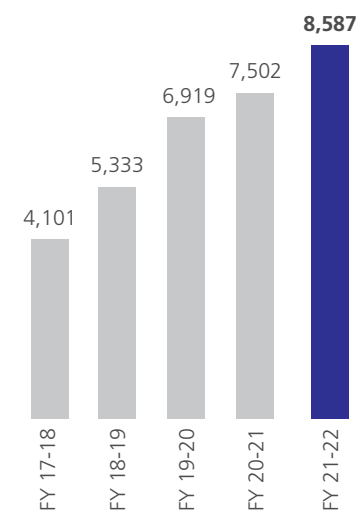


# Key Performance Indicators

## Total Income

(₹ in Million)

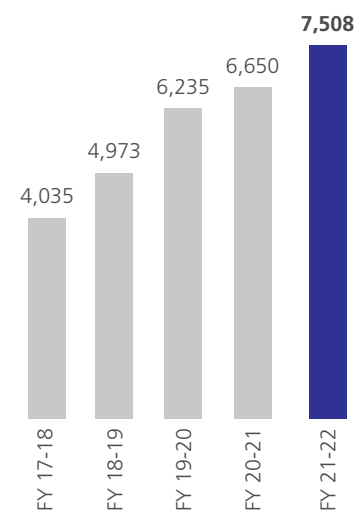
**14%** Y-o-Y growth  
**20%** 5-year CAGR



## Revenue from Operations

(₹ in Million)

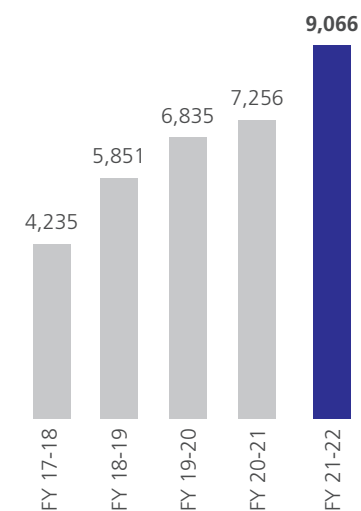
**13%** Y-o-Y growth  
**17%** 5-year CAGR



## Deferred Revenue

(₹ in Million)

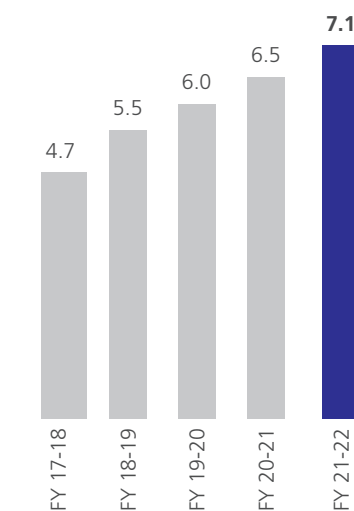
**25%** Y-o-Y growth  
**21%** 5-year CAGR



## Indian Supplier Storefronts

(In Million)

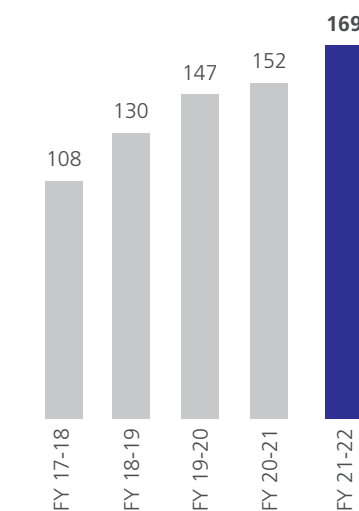
**9%** Y-o-Y growth  
**11%** 5-year CAGR



## Paying Subscription Suppliers

(In Thousands)

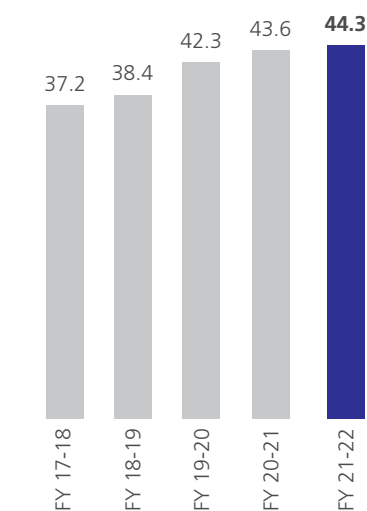
**11%** Y-o-Y growth  
**12%** 5-year CAGR



## Annualised Revenue per Paying Subscriber

(₹ in Thousands)

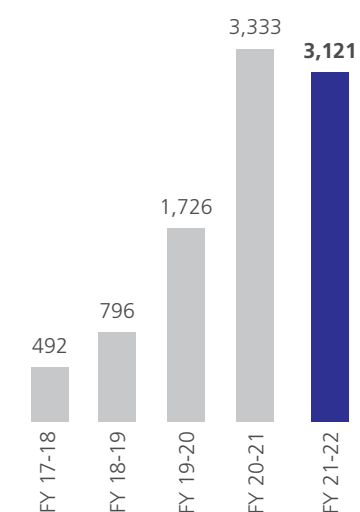
**2%** Y-o-Y growth  
**4%** 5-year CAGR



## EBITDA

(₹ in Million)

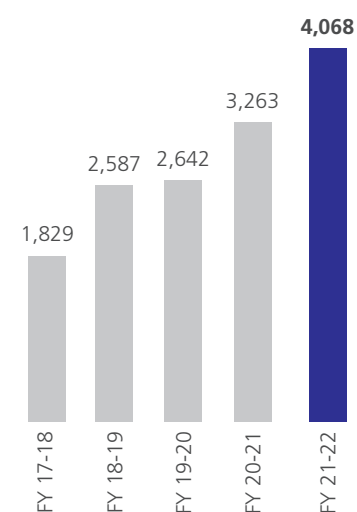
**-6%** Y-o-Y growth  
**59%** 5-year CAGR



## Cash Generated Operating Activities

(₹ in Million)

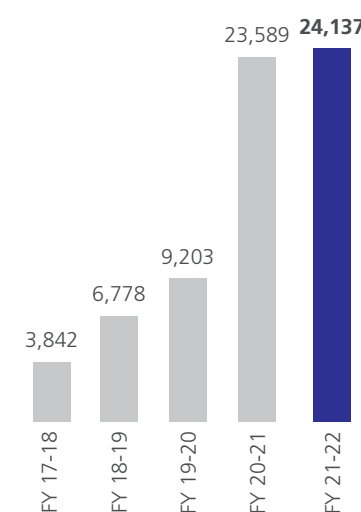
**25%** Y-o-Y growth  
**22%** 5-year CAGR



## Cash and Investments

(₹ in Million)

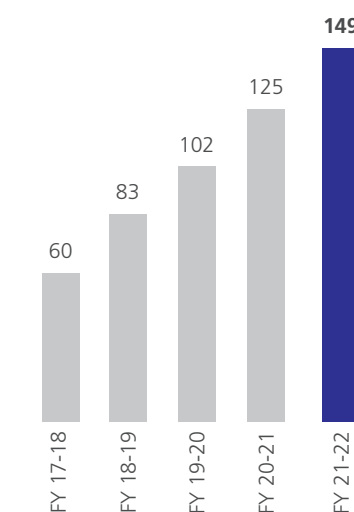
**2%** Y-o-Y growth  
**58%** 5-year CAGR



## Registered Buyers

(In Million)

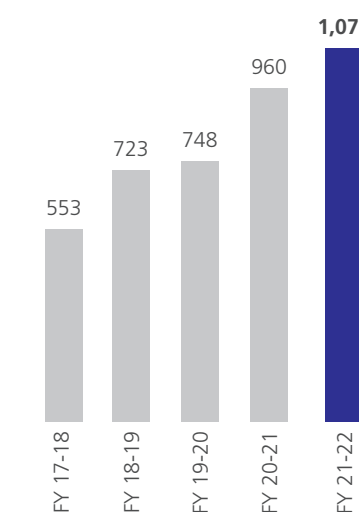
**19%** Y-o-Y growth  
**26%** 5-year CAGR



## Traffic

(In Million)

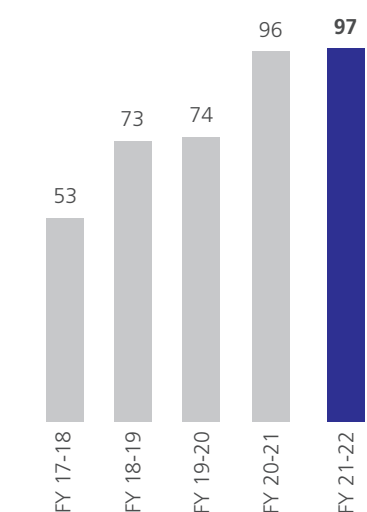
**12%** Y-o-Y growth  
**18%** 5-year CAGR



## Unique Business Enquiries

(In Million)

**1%** Y-o-Y growth  
**16%** 5-year CAGR



## Case Study

# NO LOOKING BACK FOR KR ENTERPRISES

From one company to three in just over a decade, Jaipur's KR Enterprises is a success story par excellence. In the business of manufacturing good quality herbal products like capsules, drops, tablets, syrups, cosmetic products and some FMCG products, KR Enterprises is engaged in both domestic supply and export of products. Its association with IndiaMART is as old as the company, which was initially registered on the platform for free. The company had soon opted for IndiaMART's paid service as it was receiving highly relevant leads through the platform. KR Enterprises now even has its own manufacturing unit, enabling them to cater effectively to buyers across India and in some foreign countries too.

IndiaMART helped me realise my dream and achieve new heights in my business. After partnering with IndiaMART, you don't have to look back. They give me good leads and have helped my business grow and prosper.

**Kavita Verma,**  
KR Enterprises, Jaipur



Kavita Verma started her business of manufacturing herbal products under the brand name of KR Enterprises in 2010

In search of a digital platform for her products, she found IndiaMART being highly recommended for its remarkable service. She then listed her business on IndiaMART

Soon she started to get desired results and her business grew manifold. Today, she is managing 3 companies including one manufacturing unit

**~150%**

ROI from IndiaMART

**25**

Total number of employees

**₹ 5 Cr.**

Turnover per annum

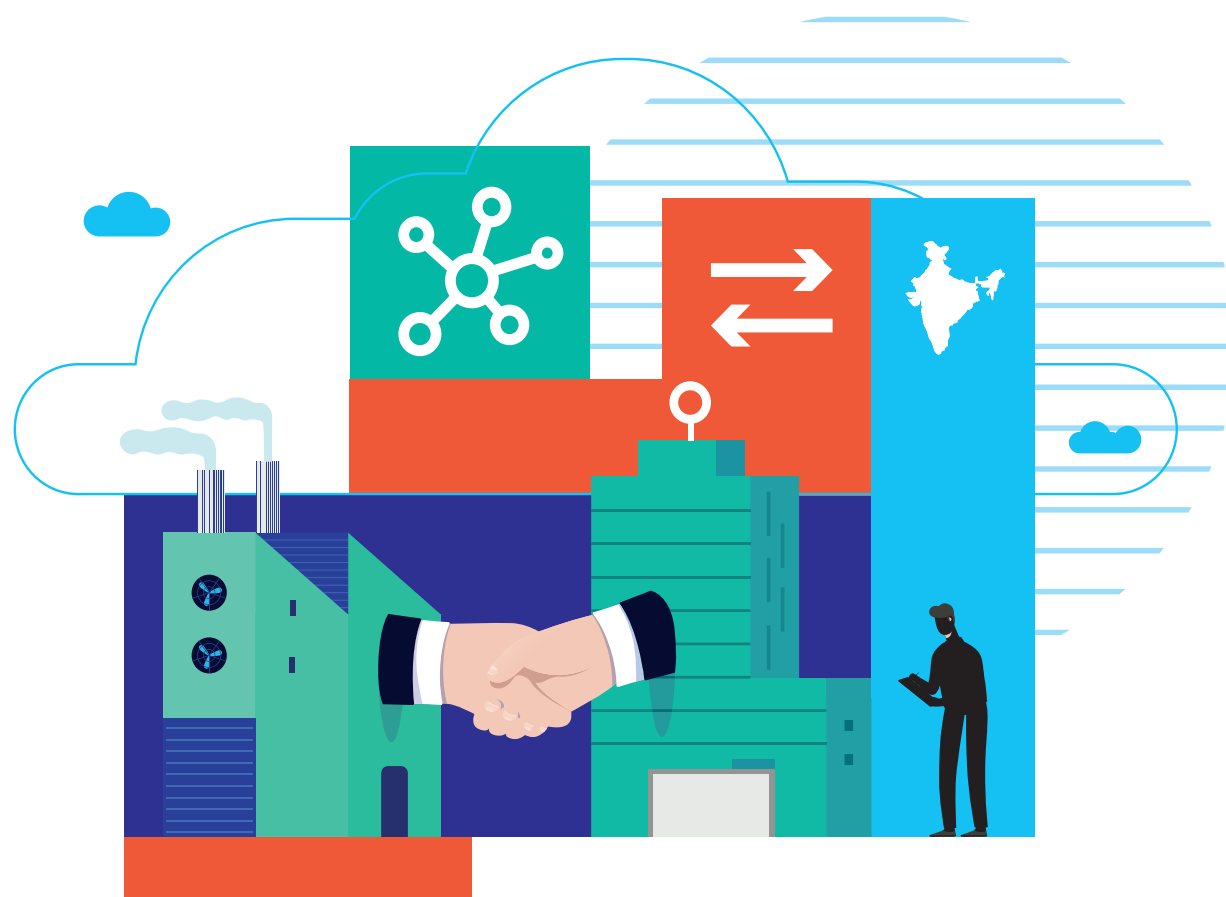


Scan or click  
for more details

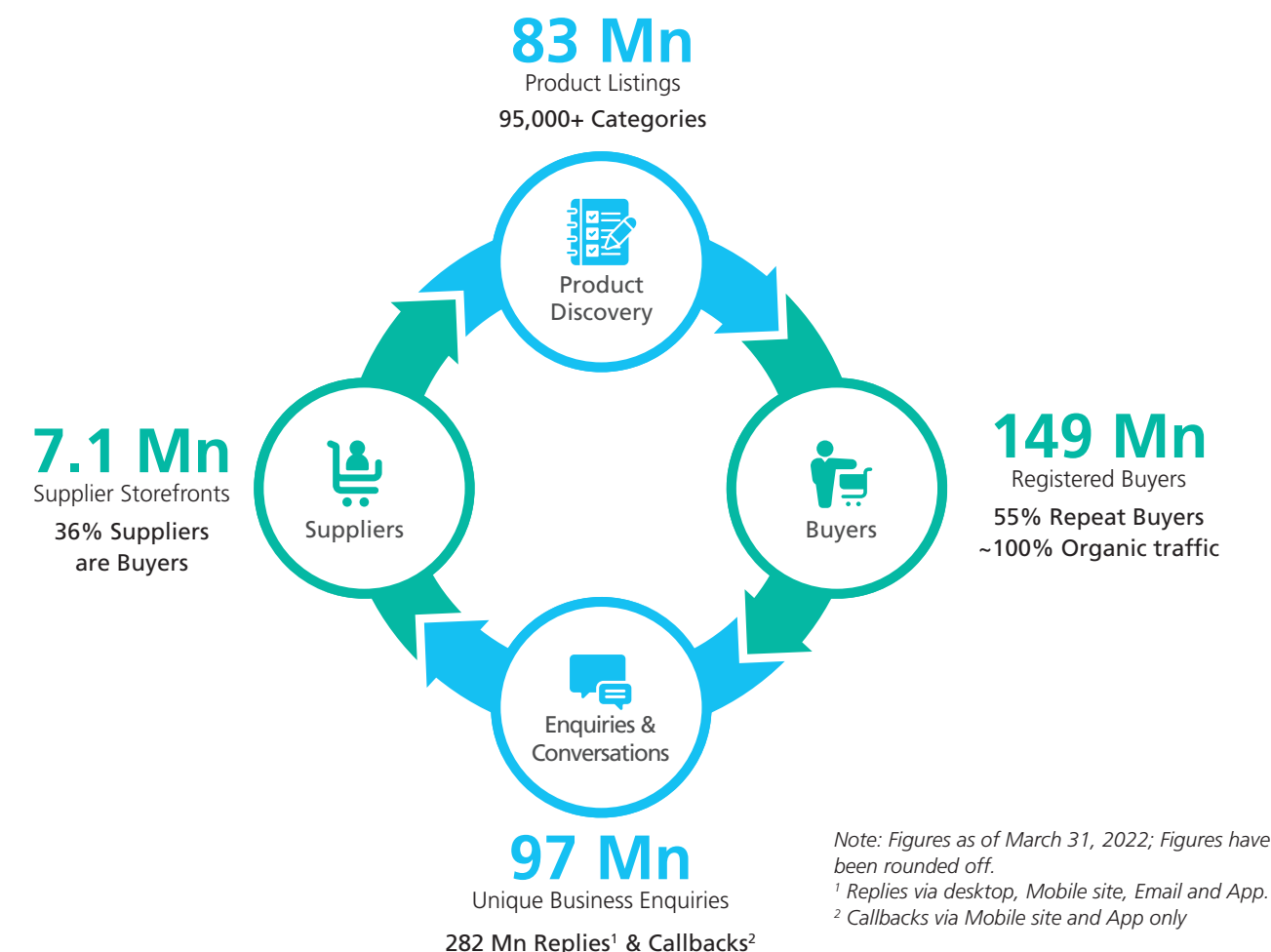
# Strategic Transformational Approach

## Building on Our Strong Network Effects

Powering these effects is the Company's growing popularity as the B2B platform of choice for a growing number of buyers and suppliers across the country. The increasing number of buyers onboarding lead to more enquiries for suppliers. This, in turn, attracts more suppliers to register, create supplier storefronts and list their products as well as services. Expansion of the supplier footprint then results in more buyers coming on our platform, and the network keeps getting stronger.



## Strong Network Effects



These strong network effects continue to translate into a growing supplier and buyer base, which is well balanced across Metro Cities, Tier II Cities and the Rest of India. This will enable us to effectively capture the burgeoning opportunity unleashed by the Internet penetration and increasing adoption of online commerce in these cities.

## CUSTOMER SPEAKS

### Adhesives Manufacturer

IndiaMART's tremendous organic reach has helped us build our brand presence & connect with new online customers looking for us. We have been able to generate ~20% digital demand through IndiaMART with a decent conversion rate. Also, we were able to achieve a 50% higher ROI as compared to other digital channels. Look forward to continuous process improvement & engaging relationship.

#### Vinay Ravindranath

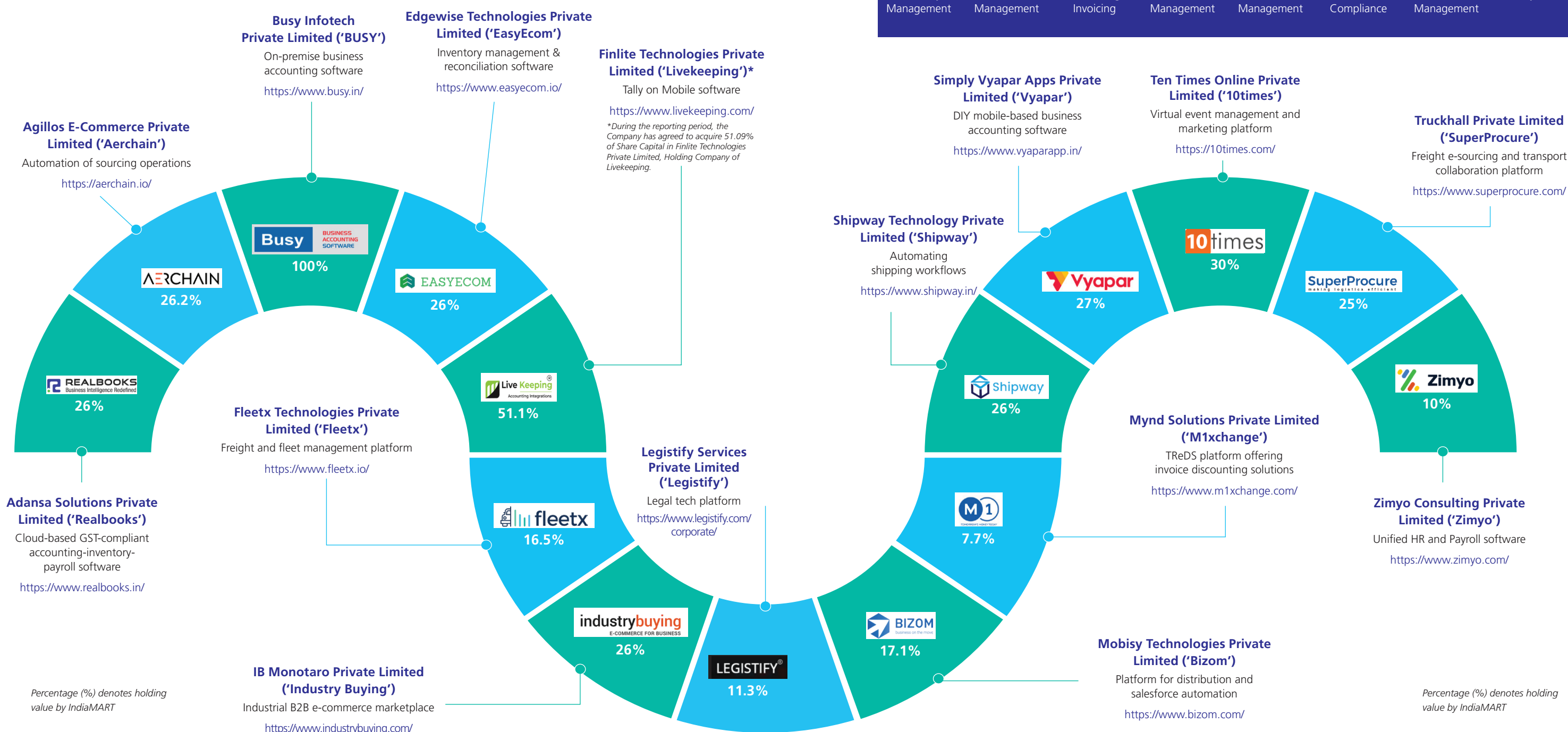
Director  
Henkel Adhesives Technologies India Pvt Ltd





# Investing in Commerce & Business Enablement

IndiaMART's transformational journey is designed to make the organisation future-ready through targeted investments and acquisitions. Our strategic investments are aimed at providing business and commerce enablement services to businesses. Accounting, logistics support, supply chain management and receivables discounting are some of the several additional services which we are looking to offer to businesses in the long term.



# Case Study

## TAKING BUVICO TO THE NEXT LEVEL

For Chennai-based Buvico Spraying Equipments, a call from IndiaMART is all it took to transform the company from a fledgling startup to a flourishing business. The company deals in high-pressure jet washers, painting machines and cement plastering machines, besides assembly of all kinds of contracts and industrial machines. It also manufactures some spare parts of its machines. With accessories related to its products easily available, and a high service quotient to supplement its value proposition, its products find a good market in India and are also exported to some countries.

Buvico's journey of transformation and growth was kickstarted by IndiaMART when the former decided to invest in some online promotions. Soon leads and enquiries started coming in through calls and emails. These quickly translated into a new business, and the rest, as they say, is history!



Because of IndiaMART's support, we were able to take our business to the next level. Every paisa of the investment we made in the platform has been worth it, given the benefits that we are receiving.

**Vidhyakar Narra,**  
Buvico



# 10

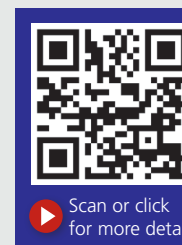
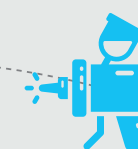
Total number of employees

# ~₹ 1 Cr.

Turnover per annum

# 1

Manufacturing unit



Scan or click  
for more details

# Transforming through Technology

A major propeller of IndiaMART's business strategy is its ability to leverage the latest technological trends. We have developed a robust core of innovative solutions to enable relevant quick and responsive supplier/buyer outreach. We leverage our proprietary behavioural data-driven algorithmic matchmaking to connect businesses with relevant buyers. We make regular investments in Artificial Intelligence (AI), Machine Learning (ML) and Data Analytics across various parts of user journey to drive better experience.

## The IndiaMART Technology-scape Encompasses

### Behavioural Data-Driven Algorithmic Matchmaking

We have a large database of the sellers and the buyers and their behaviour on the platform. Basis this data, we matchmake requirements of the buyer with supplier behaviour-based categories and geographical preferences, enabling a more effective discovery between buyer and supplier for a particular product or service.

**550 million**  
Total Business Enquiries Delivered

### CRM - Lead Manager

On IndiaMART seller platform is a CRM tool that propels conversational commerce as it helps sellers to connect with all their buyers anytime from anywhere. It shows all their ongoing business communications including past messages and keep track of the same.

**282 million**  
No. of CRM conversations enabled in FY 2022

### Vernacular / Multi Language Search / Voice Assistants

The Vernacular feature on the platform helps eliminate the language barrier, which enables people from diverse regions to use it with ease. Voice search feature helps enhance the platform's user-friendliness and enables ease of use by those who are not very tech-savvy. ~2 million buyers/suppliers used Voice Assistants in FY 2022.

**9**  
Languages supported for search

### Video

Videos of the products listed on the platform help the buyers get a clearer idea about the product before making a purchase decision. We assisted our suppliers/buyers for promoting ~0.44 million product videos till date to make better use of the platform.

### Pay with IndiaMART

It facilitates payments between users via various online modes such as credit/debit card, UPI, net-banking, etc., and ensures complete protection for buyer and supplier.

### Ratings & Reviews

It is a recently launched system to help buyers identify or choose sellers with quality products for themselves.

### Cloud Telephony

Shifts your business phone system to the cloud, it offers voice services where we connect one buyer with multiple suppliers simultaneously, a completely wireless and scalable system. It helps in quality communication, complete control and visibility into day-to-day operations, better customer privacy and data security, exhaustive analytics along with quick setup.

### Cloud-based server

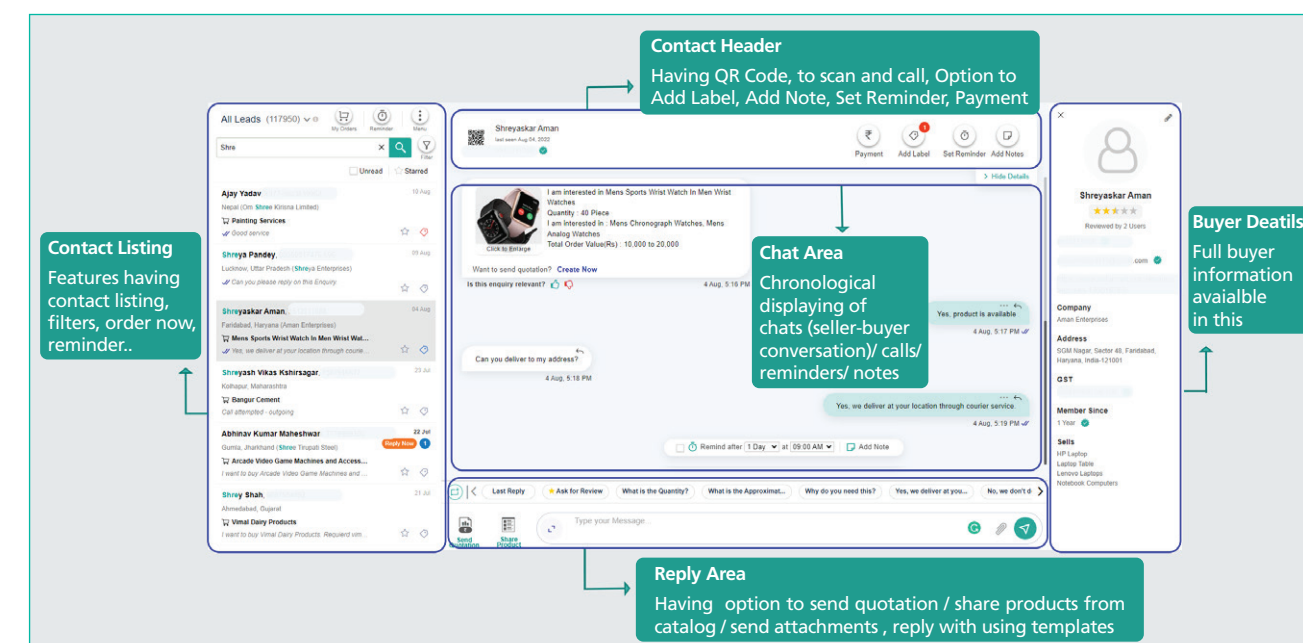
Around 95% of IndiaMART's applications are running on servers which are Cloud-based, ensuring quick / automated deployments and responsiveness to business demands, thus further increasing the ease of scalability and reducing costs and at the same time leverage upon security and reliability of the world's leading cloud platforms.

### BuyLead

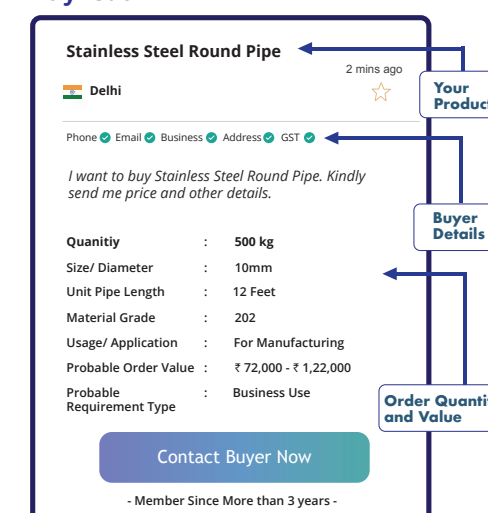
It is the purchase requirement sent by prospective buyers for products and services, which is filtered by IndiaMART and shared with the suppliers dealing in those products/services. The BuyLead alerts are sent to relevant suppliers via email, SMS and app notification. Suppliers can then consume the relevant BuyLead by accessing the buyer contact details to pursue and fulfill the purchase requirement of the buyer.

With the demand for online commerce going up manifold amid the pandemic, we, at IndiaMART, also scaled up our automation and digitalisation efforts during FY 2022 to keep pace with the same.

## Lead Management System



## BuyLead



Sample Lead Management System and BuyLead for representation purpose only.

For better matchmaking and greater efficiency in the system to promote ease of business, we continued to improve our algorithms, while enhancing customer segmentation through AI leading to reduction in our average matchmaking per unique business enquiry while maintaining the same user experience.



## Case Study

# CASCARA'S STORY OF SUCCESS

From manufacturing leather garments and accessories to being credited with introducing protective gear for bikers, Cascara Garments has come a long way indeed. This Chennai-based company started business in 1991, and a decade ago, they initiated specialised business of protective gear garments. That is when the transformational journey began for Cascara Garments. IndiaMART has been closely associated with Cascara Garments for the last 5 years and has played an integral role in opening new vistas of opportunities. The concept of protective gear was then a novelty for the Indian market, but IndiaMART helped Cascara connect with both individual bikers and bike manufacturing brands, giving it a new customer base. Regular connects with the IndiaMART account manager and the brainstorming sessions on how the company can up its game has helped enhance Cascara's visibility in the online space to pave the way for its sustained, long-term growth.



It has been a very fruitful journey, and there's a lot we stand to gain from this association. IndiaMART helps us connect with customers, and that plays a big role in the kind of products we manufacture. We look forward to a wonderful, long-standing and fruitful partnership with IndiaMART.

**Anbu VR,**  
Cascara Garments



### 60

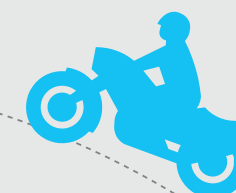
Total Number of Employees

### ₹ 1 Cr.

Turnover Per Annum

### 1

Manufacturing Unit



Scan or click  
for more details

# Powering Transformation by Creating Value for Stakeholders

At IndiaMART, we believe in holistic organisational transformation as an outcome of our concerted efforts to stay engaged with our stakeholder community in a meaningful way. We are cognizant of the importance of listening to our stakeholders, mapping their needs, and addressing their concerns, for driving long-term relationships and delivering sustained value creation.



## Stakeholder Community



### Buyers

Buyers post their requirements on our platform to be fulfilled by the suppliers registered on our platform



### Suppliers

Suppliers are key to fulfilling requirements of the buyers on our platform in a timely manner



### Community

Communities provide us social licence to operate and strengthen our brand reputation



### Regulators / Policymakers

They formulate legislations, policies and facilitate an eco-system of co-development which ensures our business continuity



### Employees

Our employees are key to the success of our business and are at the centre of all our operations



### Investors & Shareholders

They provide financial capital which is key to our growth and expansion plan

## Relevant Matters

- Discovery of diverse set of products with ease
- Better prices and ease of payment
- Access to reliable suppliers

- Sustained BuylEads and access to buyer profiles
- No unsolicited calls
- Assistance in lead and order management

- Community welfare activities
- Employment opportunities

- Compliance with laws and regulations
- Contributing to nation development
- Panel discussion with regulatory body and industry associations

- Learning and Development initiatives
- Growth opportunities
- Fair and transparent remuneration structure
- Health, Wellness and safety work environment
- Work-life balance

- Transparent disclosures and communication
- Business growth
- Dividend and capital appreciation
- Robust business model with prudent financial management
- Good governance

## Engagement Methods

- Periodic feedback through surveys
- Calls, SMS, WhatsApp, email support
- Website and mobile app
- Chat / email
- Buyer meets, workshops, conferences, webinars

- Periodic feedback through survey
- Calls, SMS, WhatsApp, email support
- Website and app
- CRM – Lead Manager
- Account managers for paying subscription suppliers

- CSR activities
- Meetings with NGOs and community representatives
- Volunteering activities

- Compliance monitoring and management
- Ethical business practices
- Participation in industry bodies and forums

- Regular meetings with the senior management and leadership team
- Informal team interactions
- Engagement activities
- Employee feedback survey
- Regular training programme
- Internal communication

- Comprehensive disclosures – investor presentation, quarterly audited financial statements, annual report, other publications
- Quarterly earnings call and regular investor (institutional or individual) interactions
- General Meetings (AGMs / EGMs)
- Company website
- Media articles

## How We Deliver Value

- Discovery of 83 million diverse products along with specifications and price discovery
- 7.1 million supplier storefronts with ratings and reviews
- Behavioural data-driven algorithmic matchmaking

- Online visibility
- Lead generation / RFQ
- CRM – Lead Management System
- Order Management System
- Accounting and other business enablement software

- Impact assessment studies
- Project monitoring and reviews

- Supporting eco-system for Government's 'Digital India' and 'Make in India' initiatives
- Stakeholder security and high level of compliance
- Suggestions on industry issues

- Numerous hours of productive training provided
- iLeap: Unique opportunity to employees to enhance their skills by enrolling in educational programmes
- Wealth creation through ESOP/SAR for most employees

- Declaration of 20% final dividend for FY 2022, subject to shareholders approval
- Buyback of up to ₹ 100 crores for 160,000 equity shares at a price of ₹ 6,250
- Commenced integrated reporting journey

# Powering Transformation by Focussing on Material Matters

Material matters are those that are most important to us and our stakeholders and may impact our ability to create value over the short, medium and long-term. We are focussed on effectively addressing these matters to ensure holistic value creation for all.

At IndiaMART, we have adopted a mechanism based on peer review and engagement with internal stakeholders to identify material issues. Necessary steps are being taken to address these issues where necessary. Our intent over time is to undertake an extensive stakeholder engagement exercise involving both internal and external stakeholders to identify and address issues, if any, to ensure our long-term sustainability.

## Key Material Matters for IndiaMART



### Environmental

- Enabling businesses to go green
- Digital conversations: Reduction in physical visits
- Online promotion and discovery of green products
- E-waste management
- Low carbon emissions
- Voluntary work from home for fuel and energy savings



### Social

- Empowering SMEs through commerce enablement and ease of doing business
- Comprehensive product assortment leading to digital inclusion
- Contribution to promote education and healthcare
- Enabling employment generation
- Promoting women entrepreneurship
- Comprehensive employee retention and welfare policies



### Governance

- Voluntary disclosures & investor interactions
- Quarterly audits
- Circulation of quarterly financials to individual shareholders
- Complaint redressal mechanism
- Supplier reviews and feedback
- Code of Conduct

Read more about our Environmental, Social and Governance related initiatives on Page 47

# Managing Risks for Positive Transformation

Prudent risk management is an inalienable facet of our transformational journey, especially in the backdrop of the continuously evolving external eco-system. Besides being vital for our long-term profitability and financial viability, effective mapping and assessment of potential risks and opportunities, with their timely mitigation, is also important for continuous improvement in the outcomes of our other capitals and sustained value creation for all our stakeholder groups.

## Our Risk Management Framework

At IndiaMART, identification, assessment, regular monitoring and reporting of potential risks is enabled by a robust enterprise-wide risk management framework. We remain committed to continuously strengthening this framework, which is built on a bedrock of strong governance policies.

## Our Principal Risks

Given the nature of our business and the possible impact of the dynamic changes in the external environment on our operations, we have identified certain principal risks. These risks are defined by varying degrees of intensity and impact our capitals in many ways. We have also mapped the mitigation strategies to address these risks and make our business more resilient.



## CUSTOMER SPEAKS

### Precision Products Manufacturer

Forbes has been associated with IndiaMART since 2012. I have witnessed the growth of IndiaMART as a business booster platform for enterprises over the last decade. Major credit for the success of IndiaMART goes to their people. I found them to be very customer-centric, professional, and prompt in assisting clients. Special mention of appreciation for my account managers and the entire servicing team for their continuous support.

### Haribabu Gopal

General Manager - Sales,  
Forbes & Company Limited





## Risk Management Framework

The Company has established and integrated Risk Mitigation Measures into the Business process to identify and mitigate the impact of the risk. Business risk evaluation and its management is an ongoing process within the Company. A risk management committee effectively analyses the risks that occur within the business and undertakes appropriate measures to ensure smooth access of services to all stakeholders.



Type of Risk	Particulars	Mitigation Strategy
<b>External Factors &amp; Force Majeure</b>	Sudden and extensive change in macro-economic factors like internet penetration growth, online industry, including political scenario and natural disasters, epidemics, pandemics, war, and other force majeure events.	<ul style="list-style-type: none"> <li>Monitoring dynamic geopolitical scenarios and potential business implications</li> <li>Strengthening internal controls to further safeguard against secondary risks</li> <li>Operational agility to assess and respond to situations with cost optimisation levers</li> <li>Well diversified business portfolio across geographies and industry verticals</li> <li>Long-term contracts with subscription suppliers and collection of subscription in advance</li> </ul>
<b>Technology Risk</b>	The Company's business is driven on telecommunications and information technology systems, networks and infrastructure and any interruption or breakdown could impair the ability to effectively operate the marketplace or provide services. The Company needs to constantly adapt to the latest technological developments and industry trends, to not become outdated and or less attractive to suppliers and buyers.	<ul style="list-style-type: none"> <li>Continuous monitoring of the upcoming trends</li> <li>Investment in product and research</li> <li>Focus on innovations and new product development</li> <li>Strategic investments in emerging tech-enabled opportunities</li> <li>Reskilling program for employees into newer technologies and methodologies</li> <li>Instilling emerging technology-based tools to anticipate and be resilient for any upcoming COVID-19 implications</li> </ul>
<b>Competition Risk</b>	Competition from new and existing companies may reduce demand for Company's services or cause loss of visitor traffic, market share or paying subscription suppliers, any of which could adversely affect our business, financial condition and results of operations.	<ul style="list-style-type: none"> <li>Benchmarking with the competition and upcoming trends/industry developments</li> <li>Built strong network effects along with scale</li> <li>Behavioural data-driven algorithmic matchmaking</li> <li>Relationships with suppliers</li> </ul>

Type of Risk	Particulars	Mitigation Strategy
<b>Cyber Security</b>	As a technology-driven company, cyber security continues to be predominated risk to business continuity including inability to protect our intellectual property rights from being infringed by others, including competitors.	<ul style="list-style-type: none"> <li>Established cybersecurity framework, governance and monitoring controls</li> <li>Adhere to the best practices prescribed under the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011</li> <li>Undertaken certification under the ISO 27001 standards</li> <li>Encryption of data, data back-up and recovery mechanisms for ensuring business continuity by undertaking ISO 22301:2019 certification</li> </ul>
<b>Regulatory &amp; Compliance</b>	Despite continuous efforts to have genuine items listed/content available on the Company's online marketplace, the Company remains exposed and be subject to non-compliance lawsuits and negative publicity. Adverse outcomes of future or ongoing legal proceedings may adversely affect our business. Along with this the Company is subject to multiple compliances and regulations in India and other countries where it operates. Changes or non-compliance in such regulations can impact the business.	<ul style="list-style-type: none"> <li>Focus on onboarding trusted suppliers</li> <li>Well-structured and governed compliance framework and controls</li> <li>Create awareness amongst employees with respect to compliance and regulatory changes</li> <li>Comprehensive User Policy and Code of Conduct for stakeholders</li> </ul>
<b>Brand Value Erosion</b>	Our continued success is substantially dependent on the strength of our brand and our reputation. Misconduct or poor performance by our suppliers and buyers, despite our efforts to monitor them, may hurt our brand and reputation as a trusted medium for business transactions and may subject us to liability.	<ul style="list-style-type: none"> <li>Built comprehensive customer feedback mechanisms</li> <li>Vendor onboarding through a structured process</li> <li>Well-established and monitored business continuity plans, crisis management policy</li> <li>De-risked operations and community engagement initiatives</li> <li>Strong focus on fostering ethical and compliance culture</li> <li>Trust building initiatives by formulating User Policy</li> </ul>

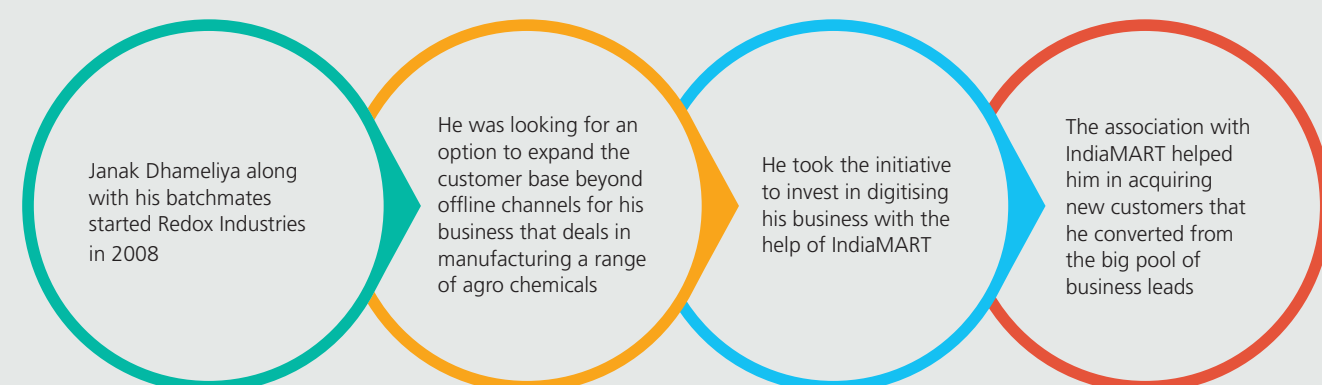
## Case Study

# THE RIGHT INVESTMENT FOR REDOX INDUSTRIES

Soon after he decided to set up his own company in partnership with two college batchmates after taking a loan from friends back in 2008, Janak Dhameliya was approached by IndiaMART with the offer to help in getting customers. Janak decided to make the small investment in the hope that IndiaMART would deliver on its promise. And he has never regretted his decision, which has paid off more dividend than he had imagined. His Ahmedabad-based Redox Industries Ltd is an established business today, with its agro chemicals, PGR, flowering stimulants, biostimulants, fungicides, insecticides and herbicides popular among customers across India. The son of a farmer, Janak has definitely come a long way from his first job as area sales manager.

IndiaMART helped us understand the digital marketing space and played a vital role in the growth of my business. In this digital age, choosing the right platform such as IndiaMART, and moving forward with positivity can automatically lead to the growth of any business.

**Janak Dhameliya,**  
Redox Industries Ltd.



### 150%

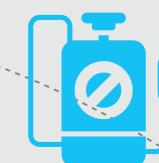
Return on Investment from  
IndiaMART

### ₹ 22 Cr.

Turnover Per Annum

### 25+

Employees



Scan or click  
for more details

# Leading the Transformation

## Our Board of Directors



**Dinesh Chandra Agarwal**  
Managing Director &  
Chief Executive Officer

### Education

B.Tech in Computer Science from HBTI, Kanpur University

### Experience

HCL America, C-Dot, CMC



**Brijesh Kumar Agrawal**  
Whole-time Director

### Education

BMS from Lucknow University and PGDBM from NIILM, Delhi

### Experience

H N Miebach Logistics and Charter member of TiE



**Dhruv Prakash**  
Non-Executive Director

### Education

Masters degree in Science (Chemistry) from Meerut University and PGDM from IIM, Ahmedabad

### Experience

Korn/Ferry International, Helion Ventures, Hewitt Associates (India), Amar Dye-Chem, DCM Toyota



**Elizabeth Lucy Chapman**  
Independent Director

### Education

Bachelor's degree in Science  
Chartered Financial Analyst

### Experience

DBS Bank, Goldman Sachs, The Welcome Trust Limited, Nahar Credits



**Vivek Narayan Gour**  
Independent Director

### Education

Bachelor's degree in Commerce, Master's degree in Business Administration, Owner/President Management Program from Harvard Business School

### Experience

First Leasing Company of India, Infrastructure Leasing & Financial Services, Tata Finance, Genpact and GE Capital Services India, Air Works MRO Services and Air Works India (Engineering)



**Rajesh Sawhney**  
Independent Director

### Education

B. Tech (Electronics and Communication) from Delhi University and Master's degree in Management Studies from University of Bombay

### Experience

Reliance Capital and Reliance Entertainment

## Management Team



**Mr. Dinesh Gulati**  
Chief Operating Officer

### Education

B. Tech (Chemical Engineering) from HBTI, Kanpur University and MBA from FMS, Delhi University

### Experience

Kodak India Limited, Bharti Airtel, Reliance Infocomm, Indian Express



**Mr. Prateek Chandra**  
Chief Financial Officer

### Education

Chartered Accountant and B Com (H) from SRCC, Delhi University

### Experience

Bharat S. Rout & Co, Exl, HT Media Limited



**Mr. Amarinder Singh Dhaliwal**  
Chief Product Officer

### Education

B. Tech (Textile Technology) from IIT Delhi and PGDM from IIM, Ahmedabad

### Experience

Micromax, BCCL, Times Internet, SBI Capital Markets



**Mr. Vivek Agrawal**  
Chief Information Officer

### Education

B. Tech from Maharshi Dayanand University and PGDM from FORE School of Management, Delhi

### Experience

ResearchCo Reprints, eBIZ.com



**Mr. Manoj Bhargava**  
Group General Counsel, Company Secretary and Compliance Officer

### Education

BCom (H), LLB from Delhi University, LLM from IP University, Delhi and Company Secretary

### Experience

HT Media Ltd., Varun Beverages Ltd., Barista Coffee Company Ltd., India Today Group



# Validation of our Transformational Efforts

The success of our transformation efforts during the year was manifest in the various **Awards** and **Accolades** won by IndiaMART across categories.



## CUSTOMER SPEAKS

### Media & Marketing Agency

We have been working with IndiaMART for the last 3 years. In the B2B space, they have huge traffic and good audience cohorts, which suits our clients' demands. For one of our clients, Microsoft, the initial results are promising and are in the direction we would have hoped for. The team was always on their toes to support us in any last-minute requirements. Kudos to the partnership.

**Sumitabh Banerjee**  
Director Media  
Carat



# Empowering All Through Ease of Doing Business

IndiaMART being the largest online B2B marketplace, enables buyers and suppliers to do business with ease. Incorporated in 1999, the Company's mission is 'to make doing business easy'. Following its mission, IndiaMART has led a transformational and empowering journey in the last two decades by providing access to a marketplace for small and medium enterprises ('SMEs') and individuals to promote their products and grow their business, thereby improving livelihood and elevating the financially weaker sections of the society.

IndiaMART has considered social development as the crux of its business along with long-term sustainable value creation for its stakeholders. Apart from just providing a platform to do business, IndiaMART has enabled the suppliers and buyers with quick, wide, safe and user-friendly marketplace. With improved, innovative and digitised techniques, the Company is taking proactive steps to create a larger and safer marketplace.

The Company's approach is holistic, covering societal development, responsible business, environmental sustainability and digital inclusion of businesses. Enablement of businesses to work online, through digital marketplace, aids in sustaining

environmental practices including reduction in usage of papers and physical movement to offline marketplaces for product discovery thereby helping reduce the carbon footprint for the nation in holistic sense. Further, businesses have been digitally empowered to reach out to potential customers / buyers for their products through IndiaMART's CRM conversation tool where the Company has facilitated more than 282 million interactions, in the nature of replies and callbacks, to the business enquiries during FY 2022.

IndiaMART focuses on accelerating and scaling its business operations by building up an engaged employee workforce as well as keeping in mind environmental sustainability by

applying data, digital technologies and environmental solutions. Employees being one of the key stakeholders and an integral resource to IndiaMART's business, they are kept at the highest pedestal. IndiaMART strives to improve employee engagement and upskilling at all levels. The Company is committed to making a positive impact as a part of its ESG commitment. Further, IndiaMART has provided option to work from home for its employees which leads to reduction in employee commutation thereby leaving a positive impact on the environment. Sustainability is central to the purpose of the Company and is embedded across the value chain.



## Environmental

### Transitioning and Enabling Transition to Green

IndiaMART has always believed in long-term value creation for its stakeholders for a sustainable future. Truly abiding by this thought, IndiaMART has pioneered in creating India's largest marketplace featuring 83 million products including 1.2 million green products, enabling digitalisation through online marketplace and helping buyers transition to sustainable consumption.

IndiaMART plays a much bigger role in enabling the nation to address increasing demands for sustainability. IndiaMART has made conscious efforts to fulfil the needs of socially and environmentally conscious buyers looking for eco-friendly and sustainable products by listing them on the platform. As of March 31, 2022, we have 1.2 million products listed on the platform that fall in the sustainable

category and we have serviced 0.9 million unique buying requests for green products by providing them information of relevant suppliers of such products.

Furthermore, IndiaMART continues to make efforts to enhance its operational eco-efficiency thereby lowering its carbon footprint.

### Collateral Promoting of Green Products

IndiaMART understands that modern buyer is socially and environmentally conscious and hence the natural demand for eco-friendly products on the platform drives us to campaign for sustainability. IndiaMART realises the need for eco-friendly, environmentally aware e-commerce businesses that consumers demand.

Through its online platform, IndiaMART provides access to green and eco-friendly products where any buyer can discover the products based on their needs and requirements. IndiaMART intends to take more steps to promote sustainable products.

Solar, wind and other renewable products are listed by more than 0.4

million suppliers free of cost in 800+ categories for sustainable products on the marketplace, which can further be discovered through voice and multi-language search. Further, the platform also provides price discovery along with specification and reviews of such products.

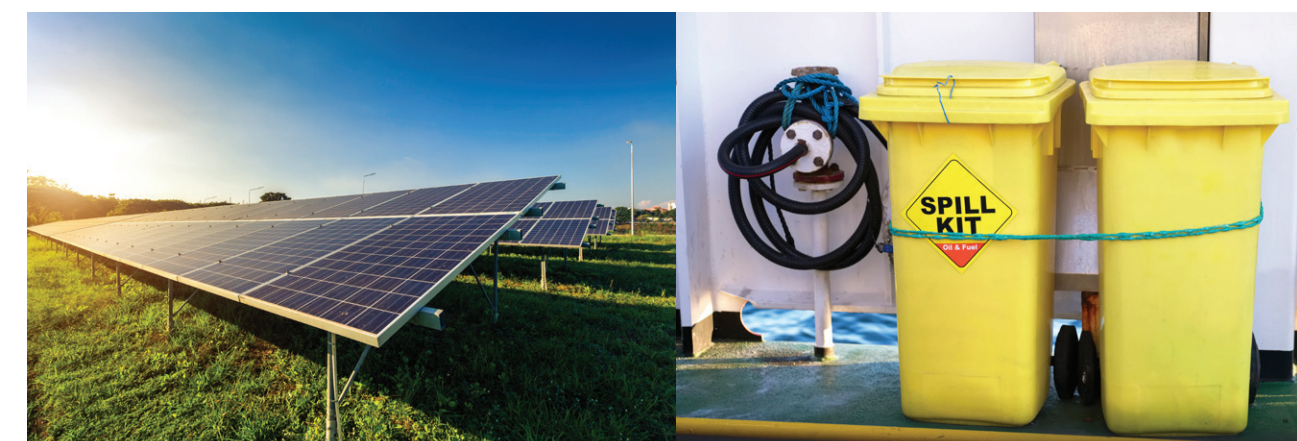
**Currently, more than 1.2 million products, identified as green, are available on the platform.**

**~565K**  
Renewable Energy Based Products

**~271K**  
Energy-Efficient Products

**~82K**  
Water/Waste Management Products

**~300K**  
Other Eco-friendly & Green Products





IndiaMART recognises the need of providing sustainable and environment friendly products to the buyer. Providing access and finding the right products is the way IndiaMART plans to cater to the needs of socially and environment

friendly buyers. IndiaMART has an extensive role as it facilitates discovery of not just the ready-made product, but the raw materials to curate and create such eco-friendly outcome that leads to sustainable business practices.

With significant water and waste management products listed on its platform, IndiaMART's aim is to deliver sustainable products not just to a fraction of the society but at a larger scale, thereby curbing environmental imbalance.



## Promoting Digitalisation

Apart from digitising its own operations, IndiaMART has taken proactive steps to enable its stakeholders and thereby society at large to transition to a greener lifestyle. Through its online platform, IndiaMART is enabling the whole ecosystem of its marketplace to move towards digitalisation.

This effort of IndiaMART to create and operate an online marketplace has indirectly helped the society at large to limit the use of papers and reduce carbon emissions.

Computerised record-keeping refinement allows companies to find and fix inefficiencies that are costing them money. Listing products on large online marketplaces, like IndiaMART, helps small businesses grow and gain credibility among their customers. The buyers trust making payments on the platform and do not hesitate while sharing their payment details.

Through availability of all products online and use of conversation platform provided by IndiaMART between the seller and buyers, they need not travel to discover and do business with each other, thereby indirectly supporting environment. IndiaMART intends to create impact to society at large through its inherent business model.

Business enablement softwares helping businesses automate operations thereby reducing paper usage

Online product discovery & commerce enables minimisation of travel & physical interactions

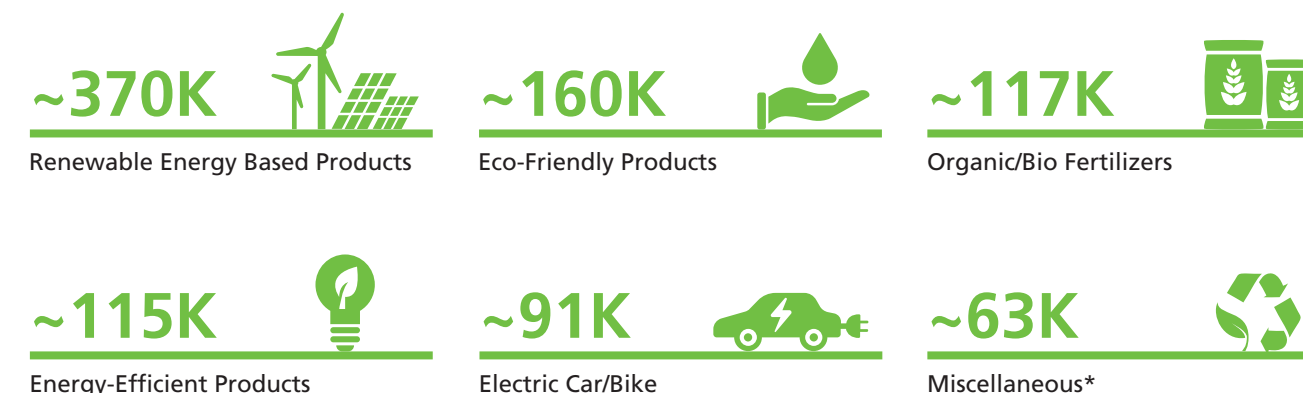
## Easy Access to Green Products by Buyers

Most buyers showcase positive attitudes toward eco-friendly products and services and thereby leading their way towards sustainable consumption. IndiaMART offers their buyers a convenient way to make a clear choice to shift towards a more sustainable lifestyle by enabling comparison of prices and green products on a single platform. Being part of an established online marketplace like IndiaMART provides a level of trust between buyer and the seller through greater transparency.

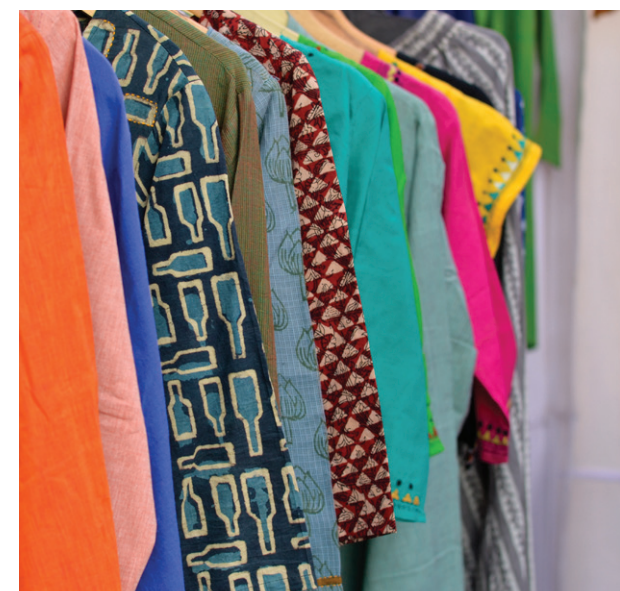
The easy discovery and wide availability of green products on the platform have been able to service the requirements of the buyers of such niche products which are not easily available in the markets. Thus, in addition to the supplier of these products, the buyers have also benefited by saving their time, money and energy in discovering such products on IndiaMART marketplace platform.

**During the period under review, we have facilitated 0.9 million enquiries and introduced relevant suppliers to meet the exigent buyer queries for green products via our platform in various categories.**

Brief summary of **unique buyer queries** received for different categories were as follows:



\*Miscellaneous includes recycled products, water/waste management products, green construction material, khadi products.





## Value Creation Stories: Green products purchase enabled through IndiaMART

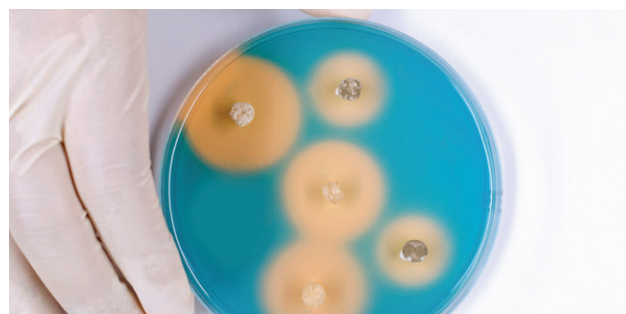
### Electric Bike Batteries



#### Buyers' Feedback

"My requirement was fulfilled through an IM supplier even though this product is scarce in local markets and on other websites. IM introduced me with numerous suppliers and now I have regular deals with them. Truly grateful to IM".

### Phosphate Solubilising Bacteria



#### Buyers' Feedback

"IM provided enough suppliers and I really appreciate their efforts in providing so many suppliers for such a rare product".

### Neem Cake Fertilizer



#### Buyers' Feedback

"The product is used at my farmhouse, and I am grateful because it is not widely available. Suppliers were provided by IM and some of them exceeded my expectations".

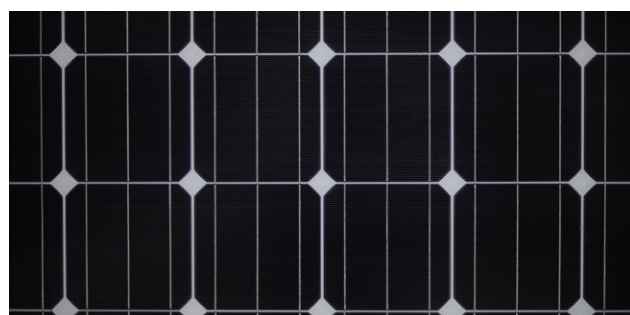
### Spill Kit



#### Buyers' Feedback

"With multiple supplier options provided by IM, their efforts were appreciated for quick responses".

### Loom Solar Panel



#### Buyers' Feedback

"The product was not available anywhere else and only IM assisted me in finding suppliers and completing my purchase smoothly. Suppliers responded positively, hence IM is one of the best places to buy products like these".

### DC Solar Pump

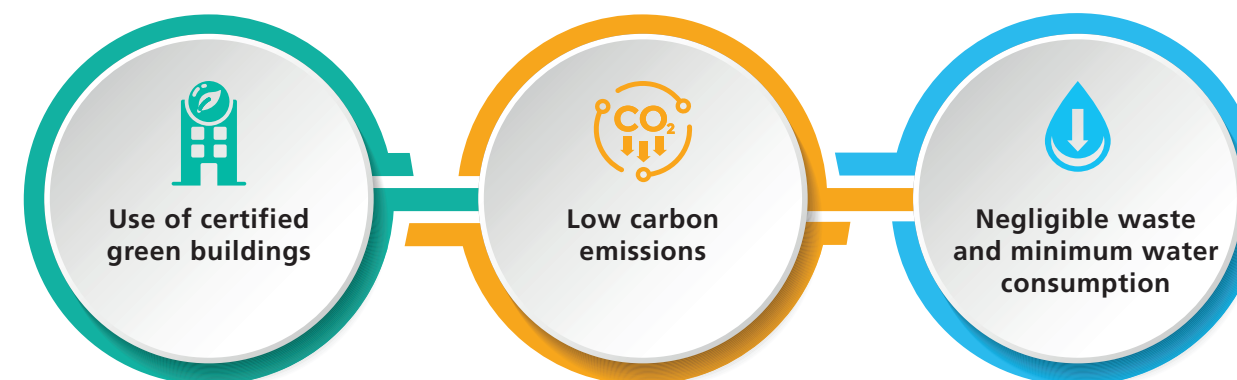


#### Buyers' Feedback

"After being introduced to multiple suppliers, one of IM's Gujarat suppliers fulfilled my requirement. The product was difficult to find on other websites. Because of this my experience with IM and its suppliers has been positive".

## Operational Eco-efficiency

### Performance Highlights



Sustainability has been a core to our business. As the Company runs an online platform, digitalisation and automation of our processes has been a focus area. As our operations and processes become digital and

tech-enabled, direct impact on the environment in our business is significantly lower than any other traditional offline business. During the year, the Company has identified the impacts and started educating

employees, especially with respect to infrastructure and operation functions, about optimising environmental impact to become as sustainable a business as possible.

### Emissions

Climate action strategy is key part of IndiaMART ESG strategy which is incorporated in all parts of our business operations and the endeavour has been to minimise our carbon footprint while moving towards carbon neutrality across different scopes of emission. Our corporate carbon footprint quantifies the total greenhouse gas emissions attributed to IndiaMART's direct and indirect operational activities. IndiaMART strives to achieve net-zero carbon emissions across the business

through continuous assessment of the total impact on the climate, mapping the largest activities contributing to this impact, and developing meaningful carbon reduction strategies.

A carbon footprint measures the greenhouse gas (GHG) emissions from all the activities across an organisation or for a specific product or service. This includes energy consumption in buildings, fuel consumed by the company-owned vehicles and may

measure indirect emissions associated with activities outside the organisation's operations, i.e., the value chain. Value chain analysis evaluates every step of business operation, from raw materials to the eventual end-user.

IndiaMART has followed the GHG protocol methodology as laid down by the Organisational footprinting Standard - ISO 14064-1, to calculate its carbon footprint into different scopes as follows:

#### Scope 1 emissions

This includes the direct emissions that result from activities within the organisation's control like, on-site electricity generation, heating, cooling, company-owned vehicles, fugitive emissions.

#### Scope 2 emissions

This includes indirect emissions from any electricity, heat, etc. purchased and used in the office premises namely, imported electricity - Grid/TPP

## Sources of Emissions for IndiaMART

Scopes	Sources of Emissions
SCOPE 1	Diesel Consumption – DG Sets
SCOPE 2	Electricity Consumption (Offices)

Separate from emissions from the generation of purchased electricity are the emissions associated with electricity which is lost from the T&D system used for delivering the purchased electricity

## Total GHG Emissions

Particulars	FY 2022 (tCO <sub>2</sub> e)
Scope 1	5.11
Scope 2	310.72
Total GHG Emissions (tCO <sub>2</sub> e)*	315.83
GHG Emissions intensity (tCO <sub>2</sub> e/million rupees of turnover)	0.04

\*Calculated using Scope 1 & Scope 2 emissions

Due to inherent nature of online business, electricity consumed in the office premises forms the major portion of the emissions. IndiaMART plans to take the following steps to become more energy efficient:

- Ensuring use of renewable energy on site or switching to renewable energy suppliers to the extent possible

- Installing renewable heat and cooling systems to replace fossil fuel heating
- Improving energy efficiency of appliances like switching appliances off when not in use, better control over heating, LED lighting, insulation to reduce heat loss, etc.

IndiaMART plans to minimise CO<sub>2</sub> emissions in its operations. Businesses play a crucial role in a functioning society, and the fact that they take initiative to create their own policies makes them key players in fighting the climate crisis. Not only does IndiaMART along with its stakeholders work to prioritise climate change, but they aim to capitalise on the low-carbon economy while also benefiting their customers and the entire world.

## Green Buildings

IndiaMART has its corporate office where substantial employees are based, located in a building which is IGBC LEED India core and shell rating system-Gold. The Indian Green Building Council ('IGBC') was formed by the Confederation of Indian Industry ('CII') in 2001. The CII is based out of the CII-Sohrabji Green Business Centre, Hyderabad which is India's 1st Platinum rated green building and a Net-Zero Energy Building. The vision of CII is to enable a sustainably built environment for all. IGBC is India's premier body for green building certification and related services.



Having corporate office in green building brings in below-mentioned tangible and intangible benefits to IndiaMART



A Rainwater harvesting system and solar streetlights are also installed in the premises. The rainwater harvesting system helps in conservation of water and reduce our net consumption of this precious resource.



## Waste - Building Sustainable Workplaces

The nature of business that IndiaMART is in, the only significant source of waste is e-waste. The main category of waste, e-waste primarily arises from discarded electrical and electronic devices. To manage this, the Company undertakes safe disposal and facilitation of recycling of e-waste by handing over to certified recyclers. The Company also refurbishes its IT assets when possible.

The Company envisages its efforts for going green and operating in 100% digital mode. The dry waste at IndiaMART primarily arises from paper usage. The Company has been consistently focussing on reducing consumption of paper through extensive digitalisation across the value chains and functions.



## Water

IndiaMART's business is not water-intensive & water is used primarily for office use like drinking, cleaning, flushing etc. One of IndiaMART's offices is located in premises which has a rainwater harvesting system with a capacity of 33.15M<sup>3</sup>. The Company ensures that minimum amount of water is consumed. Further, IndiaMART makes efforts to spread awareness amongst its employee on conscious usage of water.

Apart from ensuring that operations at IndiaMART creates least impact on the environment, the Company provides a channel for other Companies (Buyers) with access to sustainable products, thereby, indirectly helping Companies reduce their impact on the environment.





# Social

## 1. Performance Highlights

The essence of IndiaMART's business is societal upliftment by providing an online platform to earn a livelihood. The Company has pioneered in creating free access to the marketplace for discovery of ~83 million products with specifications and prices wherever available, offered by all sizes of businesses thus leading to a process in which a society multiplies its resources manifold across social, economic and environmental capitals. IndiaMART strives to offer its services

not just to the urban or semi-urban areas but is expanding to the untouched areas where basic amenities or infrastructure is not accessible, thereby extending their reach to the masses. As a consequence of the Company's endeavour, 43% of buyers that are registered with IndiaMART are from cities having population of less than 500,000. With over 7.1 million supplier storefronts on the platform for promotion of their products, only 169k suppliers are paying

subscription suppliers as at March 31, 2022. This enunciates the positioning of IndiaMART to render visibility to approximately 6.9 million suppliers free of any charge. We believe suppliers are our strategic partners and implementing sustainable practices will also help our partners improve their economic, environmental and social performance.

### Enabling Resilience during Pandemic

The upheaval and adjustment to COVID-19 has increased comfort with online collaboration and communication tools. While this won't eliminate the need for human contact, millions of people are now comfortable replacing physical events with virtual ones, opening new possibilities for how and where we celebrate, connect, work and transact business. IndiaMART since its inception is an online collaboration platform networking suppliers and buyers. Additionally, the Company has been contributing to economic rebuilding, the need for a virtual marketplace and access to green and innovative products.

The Company actively promoted the discovery of products related to medical infrastructure during the second wave of COVID-19. Millions of users benefited from the dedicated tab on IndiaMART platform for medical supplies enlisting all dire needs for ease of reference of buyers and suppliers visiting the platform. Not just the final product, information with respect to various supplies including raw materials, components and machineries used in the production of medical infrastructure products like sanitizers, disinfectants, masks, ventilators, hospital infrastructure etc., were made available to aid the entire value chain.

Reference links were made available on IndiaMART's platform for spreading awareness and information via helpline numbers. Our team vigilantly and swiftly carried out the procurement and distribution of more than 100 Oxygen Concentrators, as part of the Company's CSR initiative, to around 25 different Hospitals, Medical Institutions and Health Centres in the Delhi/ NCR region, thereby assuaging the problems due to their shortage during the outbreak.

### 1.1 Ease of Doing Business: Suppliers and Buyers

The ethos of IndiaMART's business is to jointly create value through partnering and networking with suppliers while enabling them with ease of doing business. We provide easy access to small and medium-sized businesses thereby continuing to focus on digital and financial inclusion for all. Small, medium and large businesses leverage IndiaMART's digital platform to discover products as well as get better visibility to build and grow their business.

7.1  
million



Suppliers storefronts

6.9  
million



Suppliers registered free of charge

149  
million



Registered buyers

97  
million



Daily Unique Business Enquiries served free of charged

When tracking the growth of any online business, the key parameters are to track the traffic recorded on the platform and user stickiness as well as loyalty to a specific business. IndiaMART has been fortunate to instil faith and confidence amongst not only its investors but

buyers and suppliers as well. IndiaMART continues to take concrete efforts especially the use of AI/ML technology in the entire user experience journey to ensure a better, user-friendly and reliable platform and improvise the online marketplace. As of March 31, 2022,

the Company has approximately 149 million registered buyers and 7.1 million Indian supplier storefronts taking a swift leap from 39 million and 3.2 million respectively as on March 31, 2017.

### 1.2 Digital Inclusion: Empowering Businesses

~43%

of buyers registered from towns with less than 500,000 population

IndiaMART is the largest B2B company in India with a focus on catapulting MSMEs into the mainstream. As part of its core activities, the Company empowers MSMEs to use a digital platform and operate more efficiently.

We render digitisation solutions not just to buyers and suppliers operating in metropolitan cities or populous cities but also to buyers and suppliers dwelling in smaller cities and towns across India, that are important for nation building however are lesser developed as of today and have limited options available in offline market.

Our products and services are spread across India. 32% of our registered buyers and 55% of paying subscription suppliers are from the top 8 metro cities in India, namely Delhi NCR, Mumbai, Bengaluru, Hyderabad, Kolkata, Ahmedabad, Pune and Chennai. ~43% of buyers registered on the platform are from smaller towns having less than 5 lakhs population who are able to use our platform for price discovery and source the required products from suppliers registered on the platform.



Similarly, 6.9 million suppliers have listed their products on IndiaMART's platform free of cost to promote and grow their business online, further aiding the digital inclusion of MSMEs operating in our ecosystem.

Over the period, approximately 30k suppliers from third & fourth tier cities are availing IndiaMART subscription services such as priority listing, participating in the RFQs and cloud telephony services to increase their business by responding to business enquiries generated on the platform for their products. They are able to converse with the buyers through the CRM Lead Manager platform which is provided to them free of cost along with the subscription services.

During the year, while the offline markets may have not been accessible due to pandemic, the suppliers registered on IndiaMART continued to get online business enquiries on daily basis on IndiaMART's platform.

With the influx of enquiries generated, suppliers employ dedicated resources specifically to manage our enquiries leading to employment generation. This has translated into a resilient infrastructure reaping socio-economic benefits, as digital transformation aids in enhanced market share leading to higher revenues. This also contributes to the larger cause of employment generation opportunities across the nation.



### 1.3 Going Beyond to Make a Difference

IndiaMART has taken initiatives to go beyond just matchmaking and has succeeded in creating a conversation platform wherein suppliers and buyers interact for the requirements, share catalogue, quotes, and discover prices thereby enhancing the holistic experience of its most critical stakeholders, buyers and suppliers, and the Company endeavours to follow exceptionally high standards to bring both stakeholders cohesively on its platform.

With the vision to enabling small businesses, IndiaMART has facilitated digital payments on its platform through 'Pay with IndiaMART' for its buyers and suppliers. The Company also plans to facilitate logistics and credit solutions on the platform for suppliers and buyers in the longer term. Further, the Company has done strategic investments in various companies offering software as a service for business enablement

in areas like accounting, procurement, invoice discounting, logistics, order and warehouse management for instilling comprehensive ecosystem of services for all the users on our platform in the long term.

#### 1.3.1 Training programmes for the businesses

To facilitate online business growth of suppliers, the Company regularly conducts online training programmes via 'IndiaMART learning centres' which are coordinated by experts in the field. To enable customised and efficient product discovery for buyers' requirements, with priority given to responsive suppliers, the Company utilises behavioural data-driven algorithmic matchmaking for buyers and suppliers.

The below-mentioned learning and training initiatives are taken by IndiaMART:

- Creating the Product / Brand Catalogue / Free Catalogue Page ('FCP') for all suppliers during onboarding
- During onboarding, the seller team guides the suppliers in smooth transition from offline to online business model

- Handholding suppliers and educating them to grow their business via our platform
- Creating easy-to-understand multi-lingual educational videos available on social media platforms where every supplier irrespective of being a free or paid member can learn how to use various features provided by the IndiaMART platform

#### 1.3.2 Payment Protection

- Payment forms an integral part of any transaction. IndiaMART's platform facilitates a safe, secure and protected completion of a transaction between the parties through payment facility, Pay with IndiaMART ('PWIM') managed by Pay with IndiaMART Private Limited

- PWIM ensures facilitation of digital payments with industry standard encryption like SHA 256, SHA 512, SSL Certification with salt level encryption etc.
- PWIM services are rendered to only paying subscription suppliers of IndiaMART up to pre-defined payment threshold



#### 1.3.3 Conversational Platform

IndiaMART has organically built a CRM software called Lead Manager which is a conversational platform wherein suppliers and buyers interact for the requirements, share catalogue, quotes,

product links, and discover prices. The AI-based smart reply helps in improving conversations on the platform. The Lead Manager also provides call option and alerts within the chat box. During

the reporting period, all these features have generated ~282 million replies and callbacks between the buyers and sellers effectively building up a smart and efficient conversational platform.

#### 1.3.4 Enabling Employment

IndiaMART proactively considers employment generation not just at the organisational level but extends its bounds to its supplier chain as well. SMEs critically employ staff to handle

leads generated through IndiaMART dedicatedly. It is not just our long-term or short-term agenda to resolve the critical issue of unemployment, rather the same runs in the DNA of our

business model. IndiaMART has fostered employment amongst the masses and duly acknowledges the importance of educating its suppliers and service providers.

#### 1.3.5 Promoting Women Entrepreneurship

The idea is to benefit the ecology in its entirety rather than targeting selected segments. Keeping in mind the dire need of promoting women, IndiaMART believes in extending its support to enable women entrepreneurs get a platform and equal opportunity to take steps towards being self-sufficient.



#### CUSTOMER SPEAKS

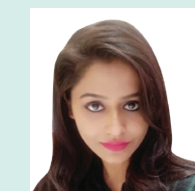
##### Breaking Barriers to Succeed

My parents started the business in 2007 but they were not very tech-savvy. After completing my Engineering and MBA, I decided to use my learnings and tech experience to further scale up our family business. Around 5 years back, I found a video of IndiaMART on a social media platform and decided to find out more about it as we were not leveraging any online platforms till then.

Our journey with IndiaMART thus began, and we started getting more leads from both national and international customers. Though we also explored some other platforms, IndiaMART gave us the best results, leading to manifold growth in our business.

As a women entrepreneur, I initially sensed a lot of gender inequality around me. But as our business grew, I saw a change in the society's perspective. It was evident that they had realised that the success of a business is not dependent on the gender of the business owner.

**Shailja Roy**  
AS Medico



## CUSTOMER SPEAKS

### Giving Wings to My Dreams

After completing my MBA, I worked in the banking industry. However, I had always dreamt of building something of my own and make a name for myself. After gaining some job experience, I started my business in 2009 and in just 6 months, I started my own manufacturing unit. Over the next 2 years, I had to sell my jewellery to manage and run the unit. At that point, I came across IndiaMART.

The business enquiries that came from the IndiaMART platform gave me the confidence to reach and acquire more customers. IndiaMART also helped me understand what products are in demand among customers. This learning encouraged me to add more and more products over the years.

Our export business also grew as we started getting many buyer enquiries from the international market. I have been on the IndiaMART platform since 2013, and find their customer service team to be very helpful as they understand my business requirements. I would like to give full credit to IndiaMART for helping me achieve my dream and making my business successful.

**Sneha Hari Nair**

The Global Pharma Equipments



## 1.4 Building Trusted & Ethical Platform

IndiaMART believes in ethical business practices which it follows in day-to-day business activities. The Company has in place a User Policy that restricts all sorts of malpractices including those governed by law as well as those opposed to public ethics and morality. Our approach helps us to become more efficient at blocking/removing the restricted contents.

Providing a platform to varied users / third parties often leads to multi-fold responsibility on the part of any company. For ensuring ethical conduct by such businesses, IndiaMART through its User Policy restricts display of any fraudulent information or sexually explicit material, sale of counterfeit

or stolen items, promotion of illegal activities or controversial weapons, activities threatening the unity, integrity, defence, security or sovereignty of India.

Further information can be found on IndiaMART's website at the following link: <https://www.indiamart.com/terms-of-use.html>

To further strengthen the Company's ideology and effective implementation of its User Policy, IndiaMART has curated a list of Reserved Keywords which restricts businesses from listing on the platform falling in the reserved category. The exclusion list runs around a few keywords such as:

- Endangered Species
- Liquor/Tobacco
- Schedule-X, Schedule-H, Schedule-H1 Drugs under NDPS Act 1985/ Sexual Enhancement drugs & other Adult Products

There are more than 8,000 keywords which are restricted on the platform. These keywords primarily belong to the content which is either violative of any provisions of law or of rights of any third party. Additionally, certain publications have also been excluded which are contrary to certain ethical and moral practices such as banning vulgar or abusive words, sale of certain pet animals including puppies, kittens, etc.

### Keyword-based data analytics

Our proprietary automated process of analysing data by way of keywords proactively restricts suspicious and illegitimate keywords from the marketplace without any human intervention. This completely restricts

users to upload any content that infringes the terms of use of the website in the first place. These algorithms are based on machine learning technology and accumulates data based on user inputs of content and detect similar

keywords in multiple languages or spelling variations or phonetic variations.

To strengthen our belief in preserving the flora and fauna to protect environmental balance in today's fast pacing era,

IndiaMART believes in promoting awareness proactively. In view of the same, a major initiative was undertaken to counter international online wildlife crime, in association with Wildlife Crime Control Bureau (WCCB) and INTERPOL, by running an advertisement appealing the users through its platform to protect wildlife and foster awareness regarding the campaign "OPERATION THUNDER 2021". This was a delirious effort by the Company to extend its assistance keeping in mind the social responsibility bestowed upon it as a result of undertaking business operations in today's time.

We closely work with law enforcement authorities to assist in their investigations and further improvise the processes and keywords repository basis the inputs received from them. Our collaborations with international organisations like

International Narcotics Control Bureau (INCB) and national organisations like Narcotics Control Bureau (NCB) have provided fruitful results in curbing trafficking in new psychoactive substances, synthetic opioids and precursors through the internet. The Company's professionalism and high ethical standards in contribution towards establishing a healthy and drug-free country were also duly acknowledged.

The Company continuously keeps updating the restricted list with the help of AI-enabled technology and machine learning tools to ensure proper checks and balances in line with its strong belief of not promoting businesses that are opposed to public interests of society.

**To commend our long-term associations with them, NCB in their appreciation letter stated, "The technological challenges faced by NCB in containing drug trafficking through internet are being addressed to a large extent with the assistance of B2B companies like IndiaMART. Your contribution towards understanding the technical nitty-gritty of ongoing drug trafficking through internet is commendable."**

### 1.4.1 Grievance Redressal Mechanism

IndiaMART has an efficient mechanism to address the complaints and grievances of stakeholders. The complaints and grievances can be registered by the users through the customer care helpline number, emails and social media handles. Further, the paying subscription suppliers also have respective account managers that are responsible for providing them support and address their grievances, if any. Further, we encourage users to register their grievances with us and provide dispute resolution including legal assistance in case of any unresolved conflict between such buyers and suppliers without any additional charges.

We also take some steps to minimise occurrence of grievances and complaints as follows:

- Identification of suspect users and restricting their activity on the platform

- Supplier ratings are displayed on the marketplace to instil trust in buyers
- Blacklisting of suppliers receiving frequent negative feedbacks from the buyers
- Identification of unsolicited callers leading to blocking of their calls as well as blacklisting from the platform. Accordingly, the Company has blacklisted 21K+ telemarketers effectively blocking 137K+ calls every month

All of these initiatives help in minimising the buyer-supplier conflict complaints.

**550 million**  
Business enquiries delivered

**0.01%**  
Complaints

**169k**  
Paying subscription supplier

**90%**  
Have no complaints throughout their association



### 1.4.2 User's IPR Protection Mechanism

Apart from providing a global marketplace for our users, we are committed to protecting intellectual property rights of all users and right holders. With over 149 million registered buyers, 83 million products across 95,000 categories, our platform may have instances of infringements of intellectual property rights. Our notice-

and-takedown system allows rights holders to register complaints for infringing listings on our platforms with ease via IndiaMART Complaints sections on the website or customer care phone number. We also offer qualified rights holders a simplified takedown program pursuant to which we expedite claims and simplify evidentiary requirements.

We are in receipt of approximately 2,500 complaints in this respect in the entire financial year which is quite minimalistic considering the quantum of product listings on our platform.

We have institutionalised processes to address such complaints, concerns or grievances in the shortest possible time.



On receiving the complaints, we intimate the concerned suppliers about the complaint and seek their response within a reasonable time. Basis the response, we deactivate or disable infringing material, if any, from the platform in case the said content was found to be infringing the right of complainant. This enables the Company to act fairly in the interest of all the stakeholders. We continue to strengthen and improvise the processes to further expedite the closure of such complaints.

We closely work with brand protection agencies and brand owners to help them in restraining infringement of their brand in general.

**All these activities help in making the platform safe and secure thereby driving better user experience.**

**IndiaMART is making efforts to go above and beyond when it comes to creating long-term sustainable value across its stakeholders.**

**In its appreciation letter to our Company, REACT (an anti-counterfeiting network and brand protection agency) has stated, "IndiaMART has clearly placed itself amongst the top e-commerce platforms in the APAC region in the area of brand protection and ensuring a clean marketplace in India".**

**Of the total complaints 83% of such complaints, were addressed within 5 days and additional 11% of such complaints were addressed within next 5 days.**



## 2. Talent Management @ IndiaMART



The Company considers employees as business enablers who increase the brand value via their energy and enthusiasm to take the business in the right direction. At IndiaMART, the management ensures a challenging and conducive environment for the employees through a continuous learning and growth culture. At all times, the Company ensures a safe working atmosphere. The Company invested in its IT infrastructure to enable employees to work from home seamlessly and has been continuing with a work from home policy since the onset of Pandemic in 2020. The Company also provided financial assistance to employees for purchasing desktops and requisite infrastructure to work from home.

It is imperative for the Company to enable employees' career growth and

participate in fulfilling their career aspirations. To achieve the same, various growth programmes are being conducted for helping out individual employees to rise in their career path via skill improvisation.

During the current year, IndiaMART launched an initiative of weekly salaries for all employees. This step has been taken to increase employee satisfaction and their overall financial well-being

thereby promoting a more flexible and supportive work culture.

The employees are provided with adequate learning and development opportunities to sharpen their skillset and drive the performance of the Company. The Company engages with the employees across platforms to strengthen employee retention.



### 2.1 Building a skilled work culture

The Company has a well-designed training agenda for continuous learning and development (L&D) programmes to enhance people's capabilities and skills across roles. A structured approach to skill assessment enables identification of training needs and bridging the necessary skill gaps. The L&D interventions aim to set performance-based indicators for the people to measure their achievements over a fixed time interval, post identification of training needs in various areas, such as behaviour-based, safety, leadership skills etc. The HR strategies also seek to inculcate value creation across the business, to aid employees in time-bound target achievement, as per the Company's strategies and vision.

The various initiatives undertaken by the Company during the reporting period under the L&D include:

#### Induction Program (Shubharambh)

A 4-day program to onboard new joiners, providing insight into IndiaMART culture and values along with understanding of the business through interactive sessions with senior leaders. Extended Shubharambh to impart practical knowledge & skills required by the joiners for their respective job roles and usually runs for 2-3 weeks.

**During the year, the Company has invested nearly ₹ 26.08 million to deliver training of approximately 225,000 hours to its employees for enhancing their existing skillset.**



### IM Saksham

Weekly training program for new joiners in the client servicing team to ensure proactive handling of customer objections. It also includes weekly refresher training on product pitch, handling customer tickets & video meeting.

### Product and Process Updates

Conducted on a fortnightly basis, the objective of the training is to keep the marketplace and sales teams updated on the latest changes on the Seller platform & WebERP and to enable them to effectively communicate the changes to the seller.

### Refresher & Skill Training

Monthly product and process training for the servicing teams wherein the topics are finalised basis discussion with internal stakeholders. We also include the Training Needs Identification ('TNI') as captured in our connect with the employees

### Emerging Leaders Development Program ('ELDP')

For our high potential employees, we conduct a Management Development Programme, from the Faculty of Management Studies, Delhi. The duration of ELDP is between 6-7 months. The focus of the program is to upskill our selected high potential employees on leadership skills by taking them through topics ranging from:

- Soft Skills (OB/HR/Management/Leadership Skills)
- Sales & Marketing
- Finance
- Strategy/Analytics
- IT
- Project Management

### IndiaMART Learning and Education Assist Program (iLEAP)

An initiative by the Company that offers a unique opportunity to employees



to enhance their skills by enrolling in educational programmes of their choice and getting the reimbursement of the same from the Company on successful completion. The education programmes can be of their current field of specialisation or otherwise, that adds value to their existing skills and knowledge, thereby enhancing their ability to perform in their current or future roles. During the period under review, the Company has extended the benefit to 44 employees. Till date, approximately 357 reimbursements have been made, out of which 154 employees have derived benefit from this initiative and continue to be in employment of the Company.

### First-Time Managers

The objective of the program is to enable First-Time Managers on how to transition from Individual Contributor to Team roles to extract the best possible performance out of them. Program includes strategy building and personality development exercises, amongst others.

### IM Lighthouse

This intervention is designed to enable managers and above on effective team handling and people management and focussed on how to enable a culture of Customer Centricity in the teams.

### IM SAMARTH

The participants are guided on 'How Self-Management is a key to Team Management'.

### Leader's Jam

Under this intervention, seasoned Senior Managers share some best practices with managers to prepare them for future roles while allowing sharing of common challenges faced by leaders around people, task & stakeholder management.

### Management Consulting and Leadership Development

The Company has engaged diligent experts to apprise the Senior Level Management regarding business strategies and management. Also, executive coaching for their personal & professional assessment and development forms part of these group sessions. The program helps in identifying development opportunities for the participants relating to business acumen, conflict management, interpersonal skills, organisational agility, etc.

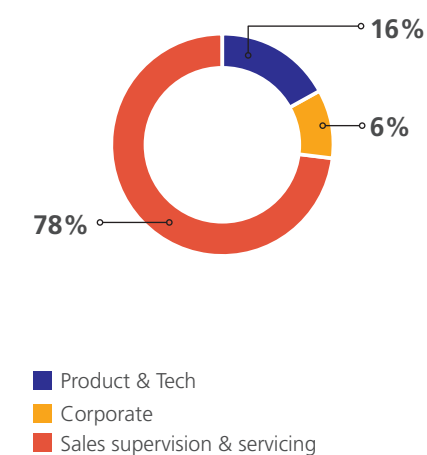
## 2.2 Diversity and Equal Opportunity

IndiaMART recognises the importance of diversity, equity, and inclusion and therefore encourages a fair representation of women across roles and responsibilities. IndiaMART believes that a young, dynamic, diverse and passionate workforce plays an important role in our business success. Regional diversity is also encouraged to bring in a different perspective in the business operations and dealings with the stakeholders. The diversity scenario at IndiaMART is encouraging with 24% of female employees occupying various roles in the Company. For FY 2022, the Company has rendered training of approximately 225,000 hours to its employees for enhancing and upgradation of their existing skillset. Also, approximately 26% of these hours were contributed by female employees thereby substantiating that the Company provides equal opportunity to all its employees. The Company strives to render a healthy work environment to the employees, where everyone has the opportunity to

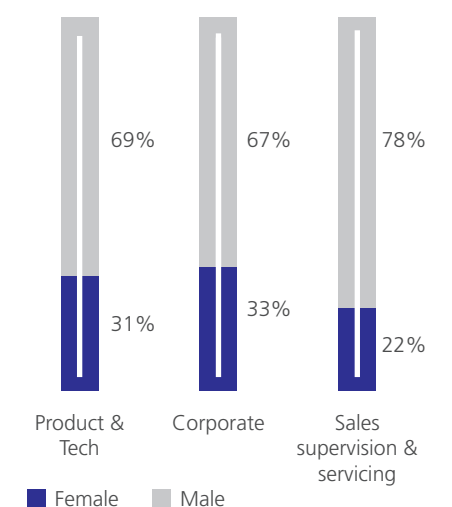
reach their full potential and contribute to IndiaMART's business success.

IndiaMART following the principle of being an equal opportunity employer is taking steps to ensure female representations across all functions and leadership roles. The female representation is depicted below. The

### Female Representation - Vertical-wise Bifurcation



### Representation of Workforce - Gender-wise Bifurcation



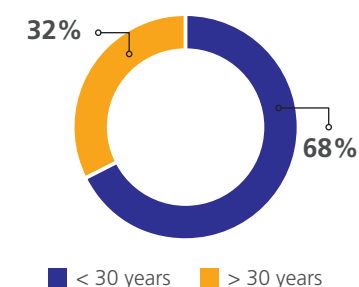
## 2.3 Workforce Diversity by Age

Resonating with the mission and vision of the Company, great emphasis is laid on creating employment opportunities for young talent. Along with respecting the knowledge and skillset of experienced professionals, IndiaMART believes in inclusivity and training of young minds to shape a

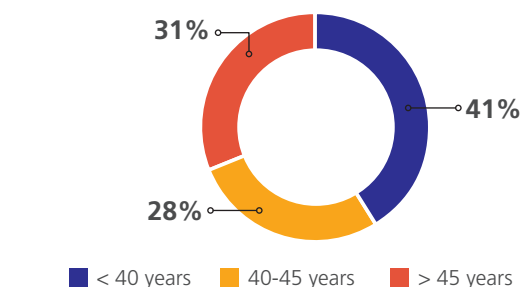
better future for next generations as well as the growth prospect of the organisation. Keeping the same in mind, the workforce age distribution pattern emphasises a young employee population falling under the age group of 30 years, while only around 32% of employees are above 30 years of age.

The senior management includes professionals in the age bracket of 40-45 years, the average age being 43 years, to enable young yet qualified minds to take leadership roles within the organisation. To enable absolute disclosure and transparency, the age-wise bifurcation of senior management personnel is presented:

### Workforce Numbers by Age

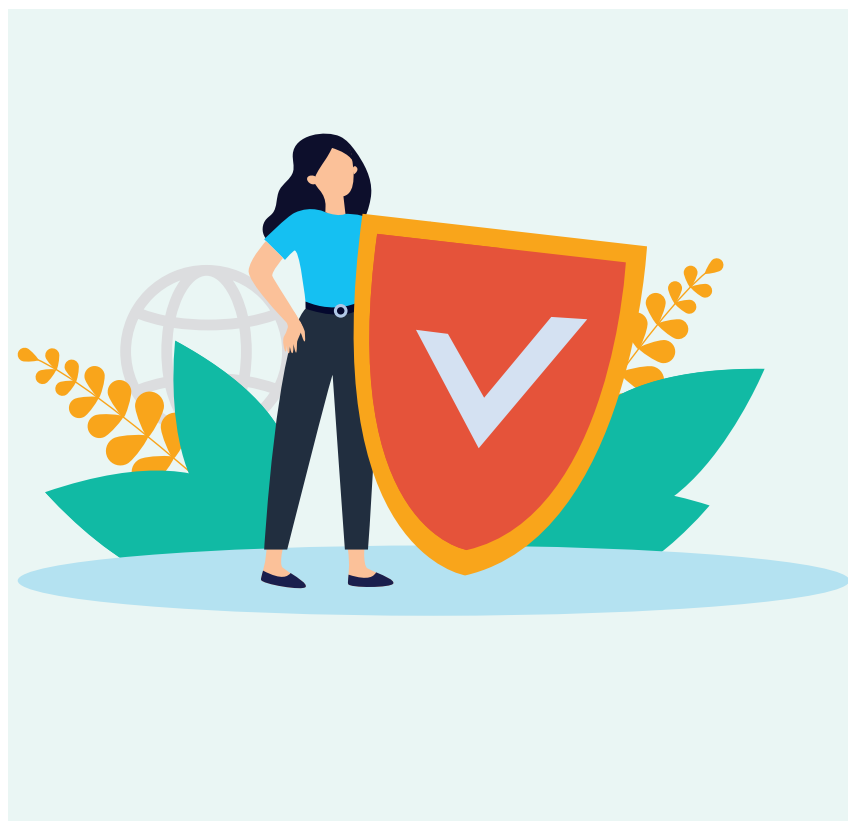


### Workforce Numbers by Age - Senior Management



## 2.4 Women Safety – A priority at IndiaMART

The Company has an established 'Policy on Prevention of Sexual Harassment of Women at Workplace' ('POSH') and is committed to creating a safe and healthy work environment that enables all the employees to work without fear of prejudice, gender bias and sexual harassment. The policy comprehensively covers all aspects of reporting, constitution of internal complaints committee, manner of enquiry, action during enquiry, enquiry report, protection of the victim, confidentiality and punishment including punishment in cases of false or malicious complaints. In addition to the POSH policy, the Company has also established a 'Woman Safety Policy' for its women employees including the visitors working late in the evening. Specific instructions are given to managers to plan work during official working hours and inform family members if working hours will be extended beyond office hours in the evening.



## 2.5 Employee Retention

**24%**

of our employees have been with the Company for more than 5 years

**~20%**

of employees have ESOPs/SARs

The strong HR practices and encouraging work environment at IndiaMART provides umpteen growth opportunities for the employees. The Company promotes meritocracy culture by providing equal opportunities to all employees based on their talent and skillset irrespective of age. We have implemented the industry's first best practice of weekly payout to help our employees to satisfy their immediate financial obligations. The weekly incentive quadruples the excitement of payday making employees more fulfilled and as a result more devoted to the organisation. The weekly payout systems are the part of the larger efforts of IndiaMART to work towards the betterment of the employees. Programmes like iBUD and Own Your Desktop by the Company enabled the employees to work efficiently

from home. Further, the Company focuses on continuous learning and development (L&D) programmes to enhance people's capabilities and skills across roles as enumerated above in Talent Management. We have also provided discounted rates on online courses to the employees to broaden their skillsets. All these initiatives have helped us improve our retention rate with the younger workforce looking to build their career in healthy work environment full of challenges and opportunities. At IndiaMART, we have facilitated ESOP/SAR plan for ~20% of the employees, helping them in their wealth creation journey. It is noteworthy that ~24% of total employees have been with the Company for more than 5 years.

## 2.6 Employee Benefits

IndiaMART considers its employees as important assets and providing them with a conducive, protected and happy workplace has been one of its priorities. The Company provides a wide range of benefits to its employees, including the benefits of a life term coverage. Mediciam for the employees and their loved ones, special benefits such as disability and invalidity coverage and parental leave to ensure that every employee can avail all the facilities which are rightfully theirs. Such benefits reduce the attrition rates and keep the employees motivated for better performance and connected to the workplace.

### Life Insurance

All employees are covered by Group Life Term and get additional compensation in case of accidental death.

### Disability and Invalidity Coverage

The employee is eligible for weekly compensation in case of any disability.

### Higher Education

Rendering opportunities to employees for enrolling in management programmes in educational institutions.

### Health Care

Group Mediciam policy covers the employee and their families for hospital expenses.

### Parental Leave

Maternity leaves are granted to women employees for up to 26 weeks for first two children.

## Weekly Payout of Salary

IndiaMART has always been a pioneer in launching innovative initiatives for its employees. During FY 2022, IndiaMART became one of the pioneers to introduce weekly payout of salary for all employees. The Company firmly believes weekly payments will make it

easier for employees to meet their real-time fiscal obligations thereby making employees more satisfied, happier and motivated toward their purpose in the organisation. Accessibility to liquid cash at shorter intervals enables the

employees to cater to their needs in quick instances.

The aim of the Company has always been to comprehensively empower its employees in every way possible.

## Online Associate Programmes

As part of IndiaMART's continuous efforts of inclusivity amongst masses and to reduce inequalities, the Company pioneered in establishing an 'Online Associate Program', which received an overwhelming response. Online / Freelance Associate Program

is a program especially designed for Mothers, Persons with Disabilities ('PWD') people who lost their jobs as a result of the COVID-19 pandemic and who are keen to undertake certain part-time earning activities without being engaged in the employment

of any Company. This forms part of the Company's social outreach framework aimed to serve the larger community. More than 900 associates primarily women were trained thereby empowering them to re-enter the workstream.

**40+**  
Specially-abled persons trained



**190+**  
Return to work mothers trained



**900+**  
Total opportunities





### 3. Corporate Social Responsibility



#### Performance Highlights



IndiaMART believes that pro-actively contributing to socio-economic development is part of the Company's objective. The Company accordingly, aligned the community initiatives in tandem with the national priorities also linking them with the United Nation's Sustainable Development Goals. The Company also conducts regular meetings with the community and various engagements on different platforms, for identifying the aspirations of the communities leading to a meaningful life. Our CSR policies and systems are framed and implemented efficiently to ensure seamless deployment of resources for accomplishing sustainable impact at the grassroot, especially in the areas of Education, Environment and Health care systems.

IndiaMART, with its primary objective of boosting education across the strata, has directed maximum CSR contribution in like initiatives. The ideology behind taking up education as its core contribution area is to curate an empowered future generation that builds an informed ecology and further enlightens the masses. The CSR initiatives have been able to impact the lives of more than 1 million in the reporting period through improved access to education and health facilities while mitigating negative environmental impacts through some initiatives.

Following is a brief about CSR activities aligned to Sustainable development goals:

#### The CSR initiatives at IndiaMART which focus on Education include:

##### SDGs Impacted Lives Impacted



**Tech solution for enabling parental support**  
- The initiative by **Saajha** led to devising one-stop tech solution impacting and improving the learning abilities of 22K underprivileged students by recognising parental involvement in education.



**Educational Facilities to Underprivileged**  
- Around 2K underprivileged students will get benefited by installation of Desktops and infrastructure facility like CCTV Camera, Webcams, Monitors, Table and Benches to schools located at MMHills as a result of this initiative by **Help Educate a Child (HEAC)**.

#### The CSR initiatives at IndiaMART which focus on Education include:

##### SDGs Impacted



##### Lives Impacted



**Improving numeracy and literacy skills in underserved communities** - The Company took an initiative for improving basic numeracy and literacy skills. Basic Learning Abilities - About 300K learners in the undeserved segments were reached through **Khan Academy India**.



**Entrepreneurship Mindset Curriculum (EMC)**  
- The initiative by Udhya Learning Foundation ('Udhya') targeted approximately 7 lakh students and 19K high school teachers to help the youth in developing entrepreneurial mindsets through real-life entrepreneurial project experience.



**Udhya Haryana ITI Program** - With the aim of creating 1K Entrepreneurs from all the Government ITIs of Haryana in next 3 years, the Company, through its implementing Agency, **Udhya** contributed towards this cause and rewarded entrepreneurs for choosing 'Entrepreneurship' as a career option.



## The CSR initiatives at IndiaMART which focus on Education include:

### SDGs Impacted

### Lives Impacted



#### Infrastructure facilities to Sadat Inter College

- Contributions made were utilised for improving classroom infrastructure in rural area serving sitting arrangement for approximately 100 students.

## Resilience During Pandemic - COVID-19 Relief

### SDGs Impacted

### Lives Impacted



#### Distribution of Oxygen Concentrators

- To ease up severe pressure on medical institutes and catering to the shortage of medical equipment and supplies, around 25 different Hospitals, Medical Institutions and Health Centres in the Delhi/NCR region were supplied with oxygen concentrators.



#### Extending aid to tackle COVID-19

- Emergency Health Care Kits – The Company directly acquired and distributed more than 200 Emergency Health Care Kits, being a combination of a digital thermometer, steam vaporiser, and pulse oximeter, primarily to workers, housekeeping staff, security guards, drivers, washers, cleaners, etc. in the Delhi/NCR region.

For detailed information on the CSR projects and their relevant contributions, refer **Annexure – 2 Report on Corporate Social Responsibility**, forming an integral part of this Report

# Governance



## 2:4

Ratio of Executive to Non-Executive Directors

## 50%

Independent Non-Executive Directors

## 100%

Board and Committee Meetings Chaired by an Independent / Non-Executive Director

At IndiaMART, the Corporate Governance philosophy is based on the art of directing and controlling the organisation by balancing the needs of the various stakeholders to enhance investor confidence and create enduring value for all its stakeholders.

The basic tenets of corporate governance at IndiaMART are based on:

**Integrity**

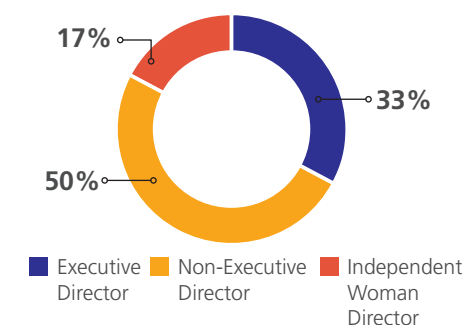
**Transparency**

**Accountability**

**Responsible corporate conduct**

The Board of Directors oversee the Company's operations and is committed to acting in good faith and making sound decisions in the best interest of the Company and its stakeholders. The Board has a mix of executive and non-executive directors as illustrated below:

#### Composition of Board of Directors

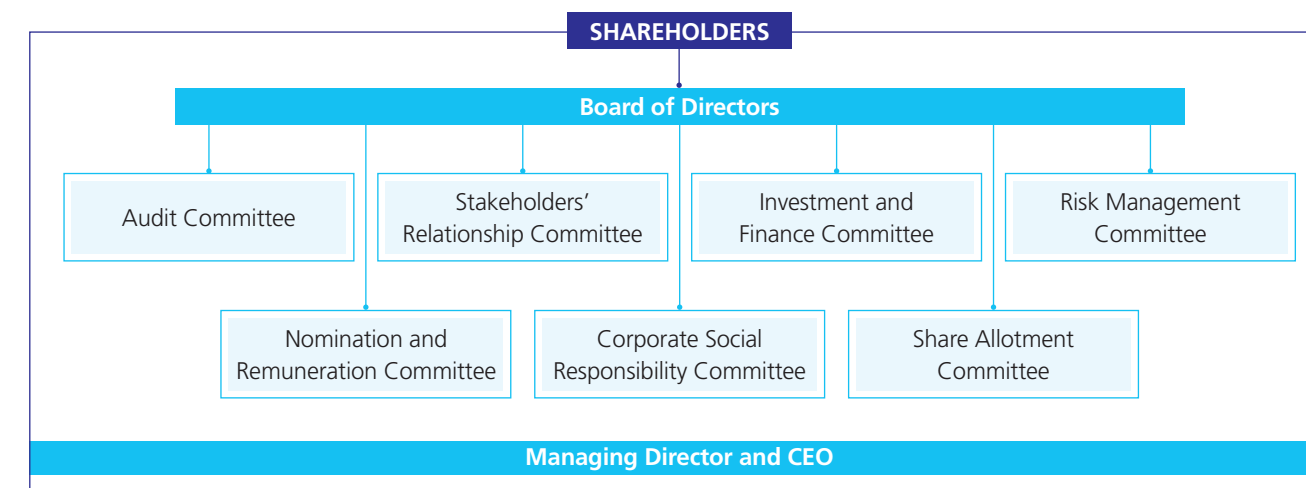


Considering their duties and responsibilities to be at the highest pedestal, the Board successfully marked 100% attendance throughout the year under review for all its Board Meetings. Also, to ensure transparency and fair dealings in business conduct, the Executive Directors are neither the members of Audit Committee nor do they constitute Nomination & Remuneration Committee.

To streamline the remuneration flow with Industry standards for key managerial personnel, the Company has derived a compensation matrix which includes a combination of fixed, variable and stock-based compensation components to fairly incentivise them for their indelible efforts toward its various stakeholders.



## 4. Corporate Governance Structure



## 4.1 Composition of the Board in Committees

<b>Mr. Dinesh Chandra Agarwal</b> M	<b>Mr. Brijesh Kumar Agrawal</b> M M M M	<b>Mr. Dhruv Prakash</b> M M M M M
<b>Ms. Elizabeth Lucy Chapman</b> M M C M	<b>Mr. Rajesh Sawhney</b> M M M M	<b>Mr. Vivek Narayan Gour</b> C M M M C

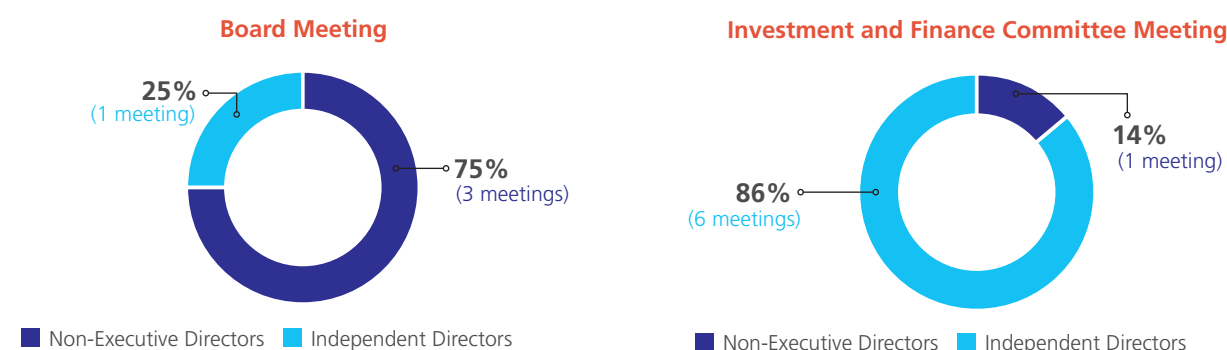
■ Name of the Director/KMP  
■ Audit Committee ■ Corporate Social Responsibility Committee ■ Investment & Finance Committee  
■ Nomination & Remuneration Committee ■ Risk Management Committee  
■ Stakeholders Relationship Committee ■ Share Allotment Committee  
C Chairperson M Member

The Board's overall efficacy is determined by the ratings received by each Director, and it decides on the appointments, reappointments, and removal of the Company's non-performing Directors as a result.

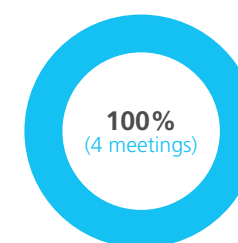
To ensure good governance practices are followed throughout the business conduct and to enable transparent decision-making at all levels, it is endeavoured that all the Board and Committee Meetings are chaired by Independent or Non-Executive

Directors. The Company has designated Non-Executive Independent Directors as Chairpersons for Audit Committee, Stakeholder Relationship Committee as well as Nomination and Remuneration Committee.

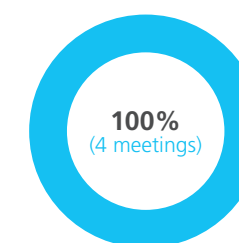
During the reporting period, the **Chairpersons for Board and Committee meetings** were as follows:



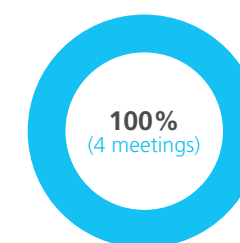
## Audit Committee



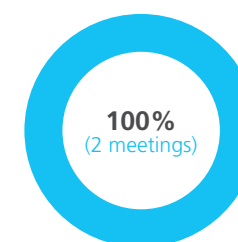
## Nomination & Remuneration Committee



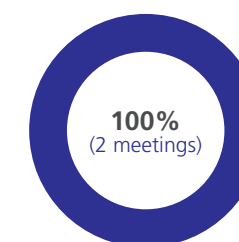
## Stakeholder Relationship Committee



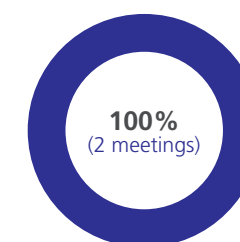
## Corporate Social Responsibility Committee



## Share Allotment Committee



## Risk Management Committee



● Independent Directors ● Non-Executive Director

## 4.2 Composition and Diversity of the Board

### Policy on Board Diversity

IndiaMART has a policy on Board Diversity that ensures the candidature is considered based on meritocracy in educational qualifications, functional expertise/specialisation, skill set and industry experience. The policy also mentions about ensuring the appointment of at least one woman, as a Director on its Board. For more information about the Board diversity policy, visit <https://investor.indiamart.com/CorporateGovernance.aspx>

IndiaMART has a skilled and diverse Board. The various skills of the Board are stated as below:

<b>Mr. Dinesh Chandra Agarwal</b> Managing Director & Chief Executive Officer	<b>Mr. Brijesh Kumar Agrawal</b> Whole-Time Director	<b>Mr. Dhruv Prakash</b> Non-Executive Director
<span style="color: orange;">■</span> <span style="color: blue;">■</span> <span style="color: darkblue;">■</span> <span style="color: purple;">■</span> <span style="color: red;">■</span> <span style="color: brown;">■</span>	<span style="color: orange;">■</span> <span style="color: blue;">■</span> <span style="color: darkblue;">■</span> <span style="color: purple;">■</span> <span style="color: red;">■</span> <span style="color: brown;">■</span>	<span style="color: blue;">■</span> <span style="color: darkblue;">■</span> <span style="color: red;">■</span> <span style="color: brown;">■</span>
<b>Ms. Elizabeth Lucy Chapman</b> Independent Director	<b>Mr. Rajesh Sawhney</b> Independent Director	<b>Mr. Vivek Narayan Gour</b> Independent Director
<span style="color: orange;">■</span> <span style="color: blue;">■</span> <span style="color: darkblue;">■</span> <span style="color: purple;">■</span> <span style="color: red;">■</span> <span style="color: brown;">■</span>	<span style="color: orange;">■</span> <span style="color: blue;">■</span> <span style="color: darkblue;">■</span> <span style="color: purple;">■</span> <span style="color: red;">■</span> <span style="color: brown;">■</span>	<span style="color: blue;">■</span> <span style="color: darkblue;">■</span> <span style="color: red;">■</span> <span style="color: brown;">■</span>

■ Industry Knowledge ■ Understanding of Laws, Rules, Regulation and Policy ■ Corporate Governance  
■ Financial Expertise ■ Risk Management ■ Information Technology ■ ESG Expertise

## 5. Features of Governance Structure

IndiaMART's governance philosophy is based on the strategic vision, entrepreneurial mindset and ease of doing business. The Board presents an appropriate balance between executive, non-executive and independent directors ensuring transparency, accountability and efficiency, to prioritise stakeholder interests. The Company's Board provides valuable guidance to the management to achieve the goals of long-term success and value creation for shareholders.

### Independence declaration

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Companies Act, 2013 ('Act') and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations.

### Board effectiveness and performance

The Company ensures that regular training is given to the Directors in relation to its businesses and economic conditions through various interactions. The learning and development goals are achieved by making system and resources available to the members of the Board. For more information, please refer to the link: <https://investor.indiamart.com/CorporateGovernance.aspx>

### Performance evaluation

Successful and sustainable corporate governance requires an effective Board to evaluate the performance of Directors. Board performance evaluation is an annual online exercise that is conducted with the help of a questionnaire. For more details kindly refer to <https://investor.indiamart.com/CorporateGovernance.aspx>

### 5.1 Whistle-blower Mechanism

The Company takes various measures to create awareness about the whistle-blower mechanism amongst the employees and other stakeholders including mailers, training programmes, presentations, sessions, etc. to encourage any person to bring genuine, ethical and legal concerns, violations and suspected fraudulent behaviour of which they are or become aware of, to an internal authority so that action can be taken immediately to resolve the problem. To make all the employees aware about the whistle-blower mechanism, the Whistle-blower

Policy of the Company is made available on the intranet and accessible to all its employees irrespective of their work location. Further, the contact details of Chairman of Audit Committee and Ombudsperson is also available on Company's website.

Awareness about the whistle-blower policy is done on a periodic basis to ensure effectiveness. Further, the Audit Committee reviews and monitors the proper functioning of whistle blower / vigil mechanism of the Company.



## 6. Ethical Conduct and Transparency

IndiaMART's Code of Conduct and Ethics is a statement of its commitment to integrity and the highest standards of ethical practices which runs on the zero-tolerance principle. The Code is intended to serve as a charter to enable employees to make the right decisions, strike a balance in case of conflict of interest, and underlines the fundamental commitment to compliance with regulatory guidelines, set forth basic parameters of ethical and acceptable social behaviour, and establish a system for detection and reporting of known or suspected ethical or regulatory violations.

**Below are some of the policies/processes adopted by the Company to ensure sound ethical behaviour and render significant benefits to its employees:**

1. Misuse / Damage of Company's Property
2. Fraudulence / Misrepresentation
3. Non-Adherence to Company's Policy
4. Law of Country
5. Indiscipline with Co-workers
6. Gifts and Entertainment
7. Anti-Bribery and Anti-corruption Policy
8. Social Media Policy
9. Insider Trading Policy
10. Accidental & Life Risk Policy
11. Career Progression Policy-tele-monthly
12. Hiring Standard Operating Procedure ('SOP')
13. Incentive Policy for Talent Acquisition - Sales
14. Maternity Benefits Policy
15. Prevention of Sexual Harassment Policy
16. Weekly Pay-out Policy
17. Women Safety Policy
18. Policy on Information Security

With an aim to ensure transparency and accountability at all levels in the organisation, we strive to maintain checks and balances of the activities and requisite reporting statutorily required to be done by employees at senior levels as well. The Company puts utmost faith in believing that employees at all levels should be treated equally and proactive steps be taken against deviations caused, if any, even if the same are of inadvertent nature. With an aim to ensure best governance practices, requisite actions are undertaken under respective regulations as well against any inadvertent violations by employees at all levels including senior personnel, irrespective of their designation or stature.

This Code of Conduct applies to all employees of IndiaMART InterMESH Ltd working across all locations. The policies can be accessed at <https://investor.indiamart.com/CorporateGovernance.aspx>

### 6.1 Code of Conduct for Key Management Personnel

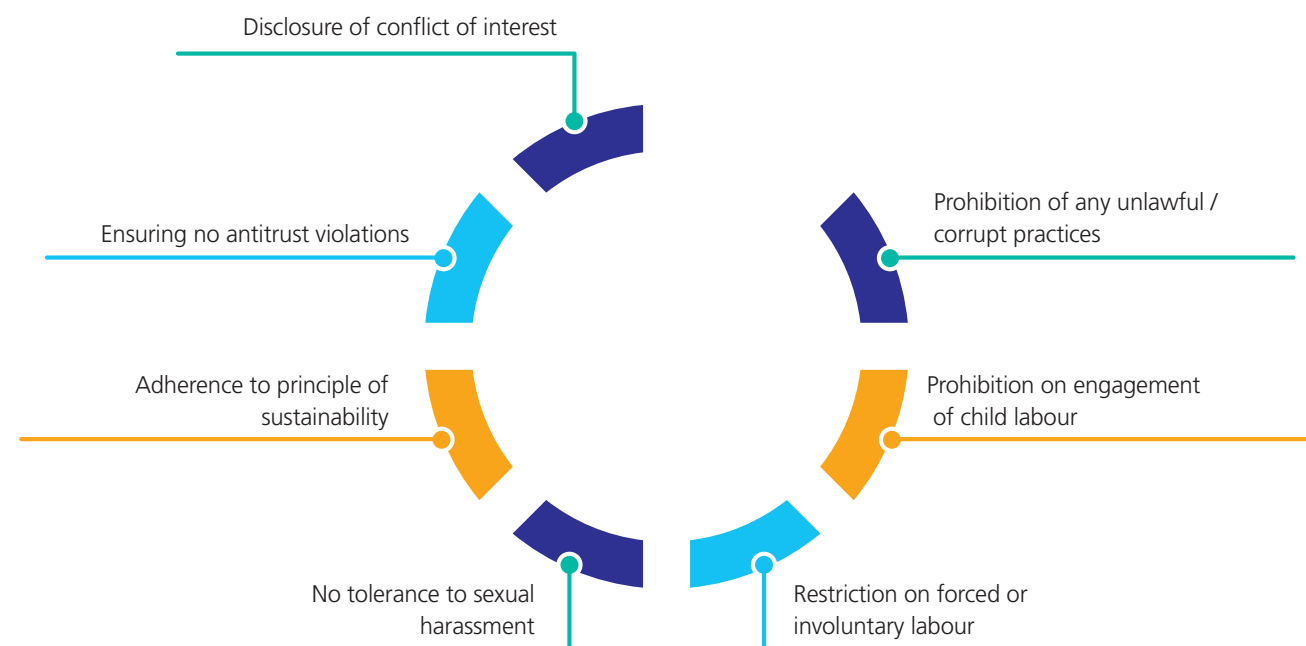
The Board of Directors oversee the Company's operations and is committed to acting in good faith, making sound decisions in the best interests of the Company and its stakeholders. The code of conduct and ethics for Directors and Senior management personnel ensure that highest standards of ethical business practices are upheld. This code is reviewed on an annual basis. The Code of Conduct helps to deeply imbibe these high integrity attributes into the core value system of the employees and Board of Directors have set exemplary conduct for the employees to emulate. The link to the code of conduct can be found below:

<https://investor.indiamart.com/CorporateGovernance.aspx>



## 6.2 Service Providers' Code of Conduct

The Company has a code of conduct for its service providers to ensure responsible business practices across its value chain while at the same time retaining high business standards. By ensuring adherence to this code of conduct, IndiaMART continuously seeks to render top-most quality of services to its suppliers and buyers. The service providers' code of conduct covers the following:



## 7. Business Continuity and Management System

IndiaMART for long has in place a business continuity and management system (BCMS) that covers the identification of situations that may have high negative impact on business operations, and the implementation of

capabilities to properly respond to them and protect the interest of the business and relevant stakeholders.

**ISO 22301:2019** - standard provides guidance and direction on how an organisation, regardless of its size and

industry, should manage, mitigate and recover from disruptive incidents when they arise, which can bring many benefits not only for the organisation itself, but also to clients, suppliers and other interested parties.

### ISO 22301:2019

- Specifies requirements to plan, establish, implement, operate, monitor, review, maintain and continually improve a documented management system to protect, reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise
- Specifies the requirements to implement, maintain and improve a BCMS
- Seek to ensure conformity with stated business continuity policy
- Need to be able to continue delivering services at an acceptable predefined capacity during a disruption

### ISO 22301:2019

- Brings together international best practice to help organisations respond to, and recover from, disruptions effectively
- The ability to reassure clients, suppliers, regulators and other stakeholders that the organisation has sound systems and processes in place for business continuity
- Improved business performance and organisational resilience
- Increased credibility, confidence, and assurance to investors and customers
- A better understanding of the business through analysis of critical issues and areas of vulnerability

## 8. Trusted Systems & Processes



Being one of the leading market players in the online B2B business brings in a lot of responsibility. IndiaMART has continuously been taking proactive steps to embrace innovative technology choices for fostering online trust. Topics such as intellectual property rights, customer data and customer privacy are the pinnacle of the business. The Company adopts a proactive approach to identify any problems and complaints to maintain a healthy and dynamic e-business platform.

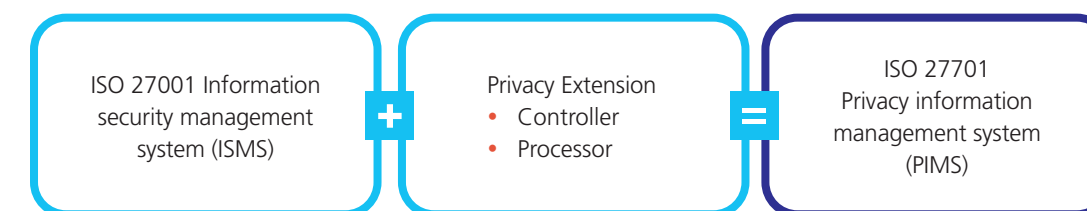
### 8.1 IT Security & Data Privacy

The Company has invested heavily to secure its proprietary systems strategically with cutting-edge technology to ensure a safe, protected environment to all users.

The Company has set up a comprehensive policy for data privacy as well as Information Security Management Systems ('ISMS') which is in accordance with ISO 27001:2013. These policies have been implemented after identifying the relevant partners and cover all the business functions to ensure accuracy, integrity and security of organisational data, information and knowledge. The salient features of the policy are as under:

- Protection of information from deliberate, unintentional or unauthorised acquisition or unauthorised access
- Confidentiality & Integrity of information by protecting it from unauthorised access & modification
- Availability of information to authorised users when needed
- Compliance to regulatory, legislative and contractual requirements
- Motivation of employees to maintain the responsibility for, ownership of and knowledge about information security, in order to minimise the risk of security incidents

To make our information security management system (ISMS) - ISO 27001 more robust, we have included privacy information management system (PIMS) - ISO 27701, which have more specific requirements and guidance for protecting our organisation's personally identifiable information (PII)



The idea behind incorporating ISO 27701 with our business is to ensure protection of information at all times. Imbued in our core business operations is the need to maintain solidarity and confidentiality of information of our users. In order to ensure protection of sensitive information at all times, the Company is in advanced stages of getting its processes certified via ISO 27701.

The advantages of implementing ISO 27701- Privacy information management system (PIMS) to the business include:

- Builds trust and reduces risks to the privacy rights of data subjects and allows for better management of privacy controls
- Improves protection from breaches and also reduce security incidents and its impact as well as prevent any harm to the Company's reputation
- Provides transparency to various stakeholders especially customers. With transparency, it enhances customer trust and confidence
- Addresses the evolving privacy concerns of the customers and other relevant stakeholders

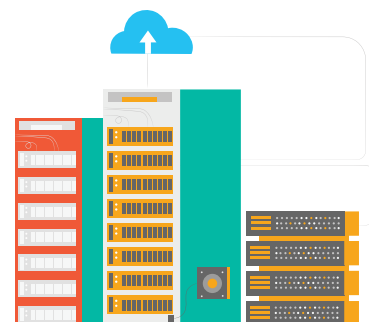
As an overall cybersecurity approach, regular reviews and risk assessments are being done on Company's security framework to strengthen ever-changing cyberthreats. In view of the same, the Company has worked in following areas:

- Cloud & Application Security
- Data Security
- Network Security
- Identity and Access Management
- Risk Assessment and Treatment
- Physical Security
- Security Governance
- Certification and Compliances across relevant requirements

## 8.2 Data Centres

Ensuring safety and protection of data forms a critical aspect of any online business. IndiaMART has taken continued efforts to ensure the data privacy and secured data storage. The Company's data centres are designed to protect privacy and ensure security of the highest standards.

The Data Centre provider is green certified with 'Green Globes' a green building initiative; 'Energy Star' and the buildings are 'LEED' certified.



## 9. Intellectual Property

'IndiaMART' itself is an emotion that connects users at one place for business, therefore we relentlessly work around to protect our copyrights, trademarks, domain names and other proprietary rights which are critical for our business. Our Company has approximately 80 registered trademarks around 23 classes and ~165 domain names. Going a step ahead, we actively monitor

content across the internet, social media platforms and offline markets to check the usage of our trademark or brand name. We actively act against infringers and third parties who infringe our trademark to secure our brand and have initiated various legal proceedings including proceedings against mass infringers of our brand name, IndiaMART, in digital world by way of

John Doe proceedings. This proceeding has helped us in getting various websites or links defunct or non-functional, either directly or through various Authorities and Agencies including Ministry of Information & Technology ('MEITY') and Department of Telecommunications ('DOT') using our brand name in their operational activities.

# Corporate Information

## Board of Directors

**Mr. Dinesh Chandra Agarwal**  
(DIN: 00191800)  
Managing Director and Chief Executive Officer

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

**Mr. Dhruv Prakash**  
(DIN: 05124958)  
Non-Executive Non-Independent Director

**Ms. Elizabeth Lucy Chapman**  
(DIN: 06459440)  
Non-Executive Independent Director

**Mr. Rajesh Sawhney**  
(DIN: 01519511)  
Non-Executive Independent Director

**Mr. Vivek Narayan Gour**  
(DIN: 00254383)  
Non-Executive Independent Director

## Chief Financial Officer

**Mr. Prateek Chandra**

## Company Secretary and Compliance Officer

**Mr. Manoj Bhargava**

## Secretarial Auditors

**Sanjay Grover & Associates**  
Company Secretaries

## Statutory Auditors

**BSR & Co. LLP**  
Chartered Accountants

## Registrar and Transfer Agent

**Link Intime India Private Limited**  
Noble Heights, 1<sup>st</sup> Floor,  
Plot No. NH-2, C-1 Block, LSC,  
Near Savitri Market, Janakpuri,  
New Delhi - 110058  
Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
Tel: +011-49411000

## Registered Office of the Company

1<sup>st</sup> Floor, 29-Daryaganj,  
Netaji Subash Marg,  
New Delhi - 110002  
Website: <http://investor.indiamart.com>  
Email: [cs@indiamart.com](mailto:cs@indiamart.com)  
Tel: +91-11-45608941

## Corporate Office of the Company

6<sup>th</sup> Floor, Tower 2,  
Assotech Business Cresterra,  
Plot No. 22, Sector 135, Noida - 201305,  
Uttar Pradesh, India  
Tel: +91-9696969696

# Management Discussion & Analysis

## GROWTH IN SMALL AND MEDIUM BUSINESSES

The domestic macroeconomic conditions have started to improve as COVID-19 pandemic begins to ebb. Mobility and business activity have started to recover. In March 2022, GST collections recorded an all-time high of ₹ 1.42 lakh crores and with this, the average monthly collection in FY 2022 stood at ₹ 1.24 lakh crores. According to the Ministry of Corporate Affairs, 1.67 lakh new companies were incorporated in FY 2022 which further validates the improving business sentiments in the economy.

The Micro, Small & Medium Enterprise ('MSME') segment is a key driver of Indian economy, contributing 30% to its nominal GDP. Following a significant impact of the pandemic, it is now reviving and witnessing increased digital adoption. A report titled Digital SMBs – Key Pillar of India's Economy, issued by Zinnov, estimates that India would have 105 million Small & Medium Enterprises ('SME') base in 2024, out of which 90% of SMEs to be "digitally influenced". Digitally influenced, according to the report, is defined in terms of having access to digital infrastructures such as PC or smartphone and Internet. The business may also be listed on an aggregator portal or listed on a social platform or communicating through WhatsApp, email etc.

(Source: 'Digital SMBs' - 2019 Zinnov Report)

## COMPANY OVERVIEW

We are India's largest online B2B marketplace, enabling prospective buyers to discover products and services and connect with suppliers registered on our platform. As at March 31, 2022, we had 149 million buyers and 7.1 million suppliers registered on our platform, of which 169,324 were paying subscription suppliers. Our wide supplier base contributed to 83 million products and services being listed across 95,000 categories and 56 industries. During FY 2022, we generated 97 million daily unique business enquiries and delivered 550 million business enquiries to our suppliers. Our focus is to enable businesses to transform into online platforms and grow themselves.



For our buyers, we provide a holistic platform ranging from product discovery along with specifications to enabling conversation with the suppliers regarding their specific requirements along with price discovery and subsequent payment protection thereby enabling a seamless transaction flow. It ensures ease and convenience of anytime, anywhere access to wide-ranging diversified product bouquet and a responsive supplier base in a hassle-free manner.



For our suppliers, we provide visibility to their products and services and help in generating business enquiries for them. We further provide our paying subscription suppliers with access to RFQs, a lead management system and cloud telephony services for better management of calls and business enquiries and online payment facilitation services for collecting their payments digitally in a cost-effective manner.

149  
million



Registered Buyers

7.1  
million



Supplier Storefronts

Our marketplace leverages the preferences shown by suppliers and buyers on the platform and uses behavioural data-driven algorithmic matchmaking to connect relevant supplier with buyers. Our matchmaking algorithms are continuously refined with data and insights generated on the platform to find the best possible match between buyer and seller. We deploy machine learning technology at various steps of the user experience journey to further improve the user experience. As at March 31, 2022, 55% of buyers repeat themselves in posting enquiries within 90 days of posting original enquiries on the platform.

During the year ended March 31, 2022, our traffic was 1,071 million, ~100% of which was organic as we did not incur any marketing cost to acquire the same. These large number of buyers on the platform translate into more enquiries for

95%+



Revenues derived through subscription

suppliers, which attracts more suppliers to register, create supplier storefronts and list products and services. In turn, this attracts more buyers to the platform. This further helps us build strong network effects on the marketplace. Our strong network effect continues to translate into a growing buyer and supplier base, well-diversified across geographies.

## OUR REVENUE MODEL

Our revenue primarily comes from providing subscription-based offerings to the suppliers. While most of the suppliers register themselves free on the platform, we generate revenue through monetization of a small number of our total suppliers by sale of subscription packages. Our packages are classified under Silver, Gold and Platinum categories and are offered on monthly, semi-annual, annual and multi-year basis. The packages include providing a web storefront, cloud telephony services, priority listing, RFQ selection credits (BuyLeads), customer relationship management through a lead manager, facility for online payment and better profile information of the prospective buyers.

While we recognize revenue over the period of subscription, most of the subscription is received upfront in advance. To the extent it is not recognized as revenue, it is identified as Deferred Revenue and shown under the head Contract liability in the Balance Sheet. As at March 31, 2022, our Deferred revenue was ₹ 9,066 million. This helps us have a better visibility of revenues in advance and negative working capital leading to higher cash flows and steady revenue.

[\(Read more about our Business Model on Page 16\)](#)

In terms of expenses, employee benefit expenses and outsourced sales costs are our major expenses. Employee expenses and outsourced sales costs, both combined, constituted 45% of our revenues in FY 2022. This includes costs relating to assembling and maintaining the sales and service team who are critical to growing our marketplace network, servicing existing customers and upselling the subscription packages. As at March 31, 2022, we had 2,635 people strong servicing team that maintains customer relationships and services the customer as well as upsell higher value packages. In addition, we work with partners in developing a nationwide sales network that reaches out to free suppliers and educates them about the benefits of our subscription packages. Powered by a robust network of offices and field and tele channel partners, we expanded our reach to 1,000+ cities and towns. Our widened sales and servicing team continually and effectively engages with the current and prospective suppliers via physical meetings or through telephone or digital mediums to build relationships. As a Company, we make significant investments in account management and customer relationships.

We are a believer in Safety first for our employees. Since the onset of the COVID-19 pandemic, our employees have been and continue to work remotely. To enable remote working, we continue to invest in reskilling and training human resources as well as building suitable physical assets, cloud infrastructure and data security initiatives. We leverage remote working

Top

10%



of Subscribers contribute ~45% of revenue

Top

1%



of Subscribers contribute to ~17% of revenue

technology platforms to facilitate our employees to continue working from home seamlessly, without any disruption to the business.

[\(Read more about IndiaMART's digital initiatives during COVID-19 on Page 56\)](#)

## OUR OPERATIONAL PERFORMANCE

FY 2022 began on a challenging note due to the second wave of the pandemic which was severe and significantly impacted business activity and market sentiments. With easing of lockdown restrictions, support from the Government and vaccination drives, the business activity steadily returned to normalcy. The Indian economy registered quarter-on-quarter growth in GDP and GST collections throughout the year. All the high-frequency indicators also returned to growth trend. While most of the small businesses are now operating at normal levels, the uneven impact of the pandemic on certain sectors continues to persist and may take time to revive.

At IndiaMART, strong dedication and resolve showed by the employees helped weather the crisis. While the Company's first quarter operations were impacted, we saw improvements across all key performance indicators and registered sustained business growth from Q2 FY 2022 onwards. As we see the encouraging pace of recovery and economic growth, we also committed ourselves to investing in growth by enhancing our manpower across the organization to service the additional demand and leverage future growth opportunities. The impact of the same was visible on our operational performance. While we see the accelerating growth trend in terms of paying subscription suppliers and revenues, our margins registered decline due to these upfront investments. Today, we are far more ready to leverage the growth opportunities emerging post COVID-19 pandemic and are hopeful to maintain healthy growth and margins as we see the results of these investments in future.

During the financial year, an increase in paying subscribers with better revenue realization per customer led to growth in revenue. The Company has started investing in the growth of the business. Accordingly, we have scaled up the field sales force and increased the sales through channel partners to increase



our paying customers. Additionally, we have ramped up our servicing employees to service, renew and upgrade our existing customers. Since there has been rerating of salaries across the Board, our employee expenses have also increased that are critical to retain and attract the best talent in the industry. We have also invested significantly in our product and technology leading to rise in related expenses.

#### Key Statistics

(in ₹ million)			
KPI	FY 2022	FY 2021	Change (%)
Collections from Customers	9,344	7,112	31.4%
Deferred Revenue*	9,070	7,261	25.0%
Revenue from Operations	7,535	6,696	12.5%
EBITDA	3,078	3,282	(6.2%)
PBT	3,904	3,894	0.3%
Net Profit	2,976	2,798	6.4%
EPS (in ₹)	97.82	96.15	1.7%
Cash Flow from Operations	4,023	3,225	24.7%

**Note:** The above figures are on a consolidated basis.

\*Includes advances from customers

[\(Read more about IndiaMART's cash generation and investments on Page 22\)](#)

#### RETURNS TO SHAREHOLDERS

The Company aims to increase shareholder wealth which is measured through total shareholder return. We have a shareholder-friendly capital allocation policy and practice returning excess capital back to them through most tax efficient means available such as dividends and buybacks.

In line with this, the Board of the Company approved a final dividend of 20% during the year on a face value of ₹ 10 per share. This amounted to a net outgo of ₹ 2 per share.

Further, the Company announced buyback of equity shares of an aggregate value of ₹ 1,000 million at the buyback price of ₹ 6,250 per Equity Share.

[\(Read more about IndiaMART's financial performance on Page 9\)](#)

#### KEY FINANCIAL RATIOS

Key Ratio	FY 2022	FY 2021	Change (%)
Current Ratio	3.71	4.41	(16.0%)
Operating Profit Margin	39.3%	46.6%	(15.8%)
Net Profit Margin	39.5%	41.8%	(5.5%)
Return On Net Worth	17.1%	29.7%	(42.4%)*

**Note:** The above ratios are on a consolidated basis.

\*On account of QIP issue amount of ₹ 10,701.66 million in the last quarter of previous financial year, the average net worth has become higher in the current year subsequently, resulting in lower return on equity/capital employed in year ended March 31, 2022.



#### GROWTH STRATEGY

Primary driver of our growth strategy is to increase adoption of IndiaMART platform in terms of increasing buyers as well as more businesses including enterprises on the marketplace. In addition to the value proposition of product discovery and lead generation, our strategy is to further strengthen the value proposition by offering more products that improve customer engagement and retention. Subsequent to the year ending March 31, 2022, we have acquired Busy Infotech, that provides 'BUSY' accounting software to businesses. In addition, during the year ended March 31, 2022, we have made several strategic investments that will help us enabling businesses or commerce on our platform in the long term. These investments are in the area of accounting, logistics like freight and fleet management, procurement management, order, inventory and warehouse management, human resource and litigation management, Sales force automation and invoice discounting exchange.

We have also invested in Industry Buying, in partnership with MonotaRO Japan, to build a B2B e-commerce business for products in MRO category. We aspire to become a one-stop solution for businesses for their needs thereby enhancing ease of doing business.

#### OUTLOOK

We foresee an increased demand for our services as businesses increasingly adopt digital means of doing business. This is especially because digitization and internet adoption have witnessed exponential growth; and IndiaMART with its business model, technology and market positioning is well placed to capitalize on the growing opportunities.

[\(Read more about IndiaMART's synergistic investments on Page 28\)](#)

#### HUMAN RESOURCE

The Company is embarking on a growth journey, with new aspirations and milestones. In this journey, it values the contribution of its human resource that is driving the Company's vision by demonstrating sincerity and passion. The Company engages with its employees across platforms to strengthen employee retention. In addition to providing the right environment and growth opportunities to employees, we focus on a lot of employee welfare initiatives to keep the workforce motivated. In a one-of-its-kind move, we shifted



to **weekly payout of salary** during the year, becoming the first organization in India to take this initiative. The move is aimed at improving the financial profile of our employees, giving them access to better liquidity during the entire month and to motivate them to work better. Several years ago, the Company had migrated to weekly incentive payouts for many roles across the organization. Further, the Company believes in providing wealth creation opportunities, like stock-based retention program for its employees. As of March 31, 2022, the Company had 3,672 employees, out of which ~20% employees have SAR / ESOP.

[\(Read more about IndiaMART's Human Resource initiatives on Page 63\)](#)

#### RISK MANAGEMENT

Risk is an integral part of the Company's business and critical to our success. The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risks. The risk management process is continuously evaluated, improved and adapted based on the changing risk scenario. Agility of our risk management process is monitored and reviewed for its appropriateness in the changing business landscape.

We are minimizing risks and preparing for potential reputational crises to prevent negative economic effects. A comprehensive Information Security Policy is in place to deal with any IP rights and information security lapses and includes all relevant stakeholders. Being an **ISO / IEC 27001:2013 and 22301:2019** certified company, our robust policies help manage information security and business continuity. Further, proactive measures are practiced to protect the brand name and tackle prospective

dubious activities. IndiaMART has in place a **Business Continuity and Management System (BCMS)** covering identification of situations which could have high negative impact on business operations. **ISO 22301:2019** provides guidance and direction on how an organisation, regardless of its size and industry, should manage, mitigate and recover from disruptive incidents when they arise.

#### INTERNAL CONTROL SYSTEMS

The Company has well-established and strong internal controls with well-designed systems, policies and procedures to maintain financial discipline. Its Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations. The Company's Board of Directors and the Audit Committee of the Board are a part of the Internal Control Systems for better compliance at all levels. During the year, such controls were tested and no reportable material weakness in controls were observed.

#### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include among others, climatic conditions, economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

# Board's Report

Dear Member(s),

The Board of Directors of your Company take pleasure in presenting the Twenty-Third (23<sup>rd</sup>) Annual Report of IndiaMART InterMESH Limited ('Company'), on the business and operations of the Company together with Audited Standalone & Consolidated Financial Statements and the Auditor's Report thereon for the financial year ended March 31, 2022 ('FY 2022').

## FINANCIAL PERFORMANCE

A summary of the financial performance of the Company in FY 2022 is detailed below:

Particulars	Standalone		Consolidated	
	FY 2022	FY 2021	FY 2022	FY 2021
Revenue from Operations	7,507.70	6,650.48	7,534.85	6,695.62
Other Income	1,078.60	851.62	1,121.94	865.84
<b>Total Income</b>	<b>8,586.30</b>	<b>7,502.10</b>	<b>8,656.79</b>	<b>7,561.46</b>
Employee Benefit Expenses	2,628.47	1,987.21	2,675.52	2,052.13
Financial Cost	54.02	66.63	54.02	66.63
Depreciation and amortisation expenses	119.01	158.65	119.46	160.65
Other Expenses	1,758.31	1,329.91	1,780.87	1,361.92
<b>Total Expenses</b>	<b>4,559.81</b>	<b>3,542.40</b>	<b>4,629.87</b>	<b>3,641.33</b>
<b>Exceptional items</b>	-	-	-	-
Share in Net Profit/(loss) of Associate	-	-	(122.49)	(26.60)
Profit/(Loss) before tax	4,026.49	3,959.70	3,904.43	3,893.53
Total Tax Expenses	928.25	1,092.57	928.25	1,095.79
Profit/(Loss) for the year	3,098.24	2,867.13	2,976.18	2,797.74
Other Comprehensive loss for the financial year	4.28	(18.29)	3.06	(17.78)
<b>Total Comprehensive income/(loss) for the financial year</b>	<b>3,102.52</b>	<b>2,848.84</b>	<b>2,979.24</b>	<b>2,779.96</b>
Earnings per Equity Share (INR) - Face value of ₹ 10/- each	101.83	98.53	97.82	96.15

Note: The above figures are extracted from the Standalone and Consolidated Financial Statements prepared in compliance with Indian Accounting Standards (IND AS). The Financial Statements of the Company complied with all aspects of Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

## REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the Company's performance on Standalone basis are as under:

- Revenue from Operations reached ₹ 7,507.70 million in FY 2022 as against ₹ 6,650.48 million in FY 2021, a growth of around 12.89% year on year.
- The total income increased by 14.45% from ₹ 7,502.10 million in FY 2021 to ₹ 8,586.30 million in FY 2022.
- Operating EBITDA, in FY 2022, recorded a decrease of 6.37% over FY 2021 and stood at ₹ 3,120.91 million in comparison with ₹ 3,333.36 million in FY 2021.
- Profit before tax (PBT) from ordinary activities (before exceptional items) is ₹ 4,026.49 million in FY 2022 as against ₹ 3,959.70 million in FY 2021.

## DIVIDEND

Based on Company's Performance and in terms of Dividend Distribution Policy of the Company, the Board of Directors in its meeting held on April 28, 2022 recommended a final dividend of ₹ 2 (i.e., 20%) per equity share of ₹ 10 each fully paid-up for FY 2022, subject to the approval of the members at the ensuing Annual General Meeting ('AGM') of the Company. The Dividend will be payable to all those members whose names will appear in the Register of Member as on the record date.

As per the provisions of Section 115 – O of Income-tax Act, 1961 and amendments introduced vide Finance Act, 2020, w.e.f. April 1, 2020, Dividend paid or distributed by the Company shall be taxable in the hands of the members. The Company shall accordingly make the payment of the final dividend after deduction of tax at source.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has formulated and implemented the Dividend Distribution Policy which is displayed on Company's Website. The web-link for the same is <https://investor.indiamart.com/CorporateGovernance.aspx>.

## TRANSFER TO RESERVES

During FY 2022, the Company did not transfer any amount to the general reserve.

## BUYBACK OF EQUITY SHARES

The Board of Directors of the Company approved, through a resolution passed at its duly convened meeting held on April 28, 2022, buyback of upto 1,60,000 fully paid-up equity shares of the Company having face value of ₹ 10/- (Indian Rupees Ten Only), at a price of ₹ 6,250 (Indian Rupees Six Thousand Two Hundred Fifty only) per equity share payable in cash, for an aggregate amount not exceeding ₹ 100 crores (Indian Rupees One Hundred Crores only).

The proposal for buyback was approved for participation from all shareholders / beneficial owners of the Equity Shares of the Company, including promoters and members of the promoter group, on a proportionate basis as on the Record Date through the "Tender Offer" route, using mechanism for acquisition of shares through stock exchange as prescribed under Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations"), the Companies Act, 2013 and Rules made thereunder, as amended from time to time and such other circulars or notifications issued by the Securities and Exchange Board of India.

The details of the Buyback are available on Company's Website and can be accessed through the web-link <https://investor.indiamart.com/buyback.aspx>.

## MATERIAL CHANGES AND COMMITMENTS

As prescribed under section 134(3) of 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:

- In the nature of Company's Business, and
- In the Company's Subsidiaries or in the nature of business carried out by them.

## SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2022, the Company has four (4) Wholly-owned Subsidiary Company(s) and seven (7) Associate Company(s).

### Subsidiary Companies:

- Hello Trade Online Private Limited ('HTOPL')
- Pay With Indiamart Private Limited ('PWIPL')

- Tolexo Online Private Limited ('Tolexo')
- Tradezeal Online Private Limited ('TOPL')

### Associate Companies:

- Agillos E-Commerce Private Limited ('Aerchain')
- Edgewise Technologies Private Limited ('EasyEcom')
- IB MonotaRO Private Limited ('Industry Buying')
- Shipway Technology Private Limited ('Shipway')
- Simply Vyapar Apps Private Limited ('Vyapar')
- Ten Times Online Private Limited ('10times')
- Truckhall Private Limited ('SuperProcure')

## Development/Performance and Financial Position of each Subsidiary is presented below:

- Hello Trade Online Private Limited ('HTOPL')**, was incorporated on July 03, 2008, as a wholly-owned subsidiary of the Company. HTOPL being not actively engaged in any business is, however, authorized to indulge in a gamut of businesses, like conducting domestic trade and international business facilitation, including sales, marketing, operational, technological, information processing and other trade and business-related services. During FY 2022, HTOPL has no revenue and net loss after taxation was ₹ 0.05 million.
- Pay With Indiamart Private Limited ('PWIPL')**, was incorporated on February 07, 2017, as a wholly-owned subsidiary of the Company. PWIPL is engaged in the business of electronic payment facilitation mechanisms. During FY 2022, PWIPL's total revenue was ₹ 26.13 million and net loss after taxation was ₹ 1.51 million.
- Tolexo Online Private Limited ('Tolexo')**, was incorporated on May 28, 2014, as a wholly-owned subsidiary of the Company. Tolexo is primarily engaged in the business of building a cloud-based solution for SME businesses to help them manage their business with increased efficiency. During FY 2022, Tolexo's total income was ₹ 9.59 million and net loss after taxation was ₹ 92.71 million.
- Tradezeal Online Private Limited ('TOPL')**, formerly known as Tradezeal International Private Limited, was incorporated on May 31, 2005 as a wholly-owned subsidiary of the Company. The main object of TOPL was changed w.e.f., January 16, 2021 to carry out business related to investment and allied activities by making strategic investments in multiple ventures. These investments are in line with the Company's long-term objective of offering various SaaS solutions for businesses. During FY 2022, TOPL made following investments by way of subscription, purchase or otherwise, in the equity shares, preference shares and/or other securities:
  - Acquired 25.20% share capital of Truckhall Private Limited ('SuperProcure') on fully converted and diluted basis for an aggregate consideration of approximately ₹ 110.10 million;



- Acquired 26% share capital of Shipway Technology Private Limited ('Shipway') on fully converted and diluted for an aggregate consideration of approximately ₹ 182 million;
- Acquired 26.23% share capital of Agillos E-Commerce Private Limited ('Aerchain') on fully converted and diluted for an aggregate consideration of approximately ₹ 260 million;
- Acquired 26.01% share capital of Edgewise Technologies Private Limited ('EasyEcom') on fully converted and diluted for an aggregate consideration of approximately ₹ 1,335 million.

Further, during the financial year, TOPL took inter-corporate loan from the Company amounting to ₹ 2,865 million which was repaid during the financial year along with the applicable interest. Additionally, TOPL, invested ₹ 75 million in its investee company, Legistify Services Private Limited ('Legistify').

During FY 2022, TOPL has no revenue, however its total income from other sources was ₹ 0.18 million and net loss after taxation was ₹ 15.90 million.

**Further, following changes have taken place in the status of Subsidiary(s) of the Company during the period subsequent to the end of financial year and date of this Report:**

#### 1. Busy Infotech Private Limited ('BUSY')

During the financial year, the Company entered into an agreement to acquire 100% of the paid-up capital of BUSY for an aggregate cash consideration of ₹ 5,000 million. Subsequently, BUSY became the wholly-owned subsidiary of the Company on completion of the acquisition on April 06, 2022.

BUSY was incorporated on August 12, 1997. BUSY through its product 'BUSY Accounting Software' or 'BUSY' offers web-based business accounting solution for the companies including GST billing & return filing, TDS/TCS, configurable GST compliant invoicing, inventory management. The solution is offered in three variants namely Basic, Standard, and Enterprise Edition. The said acquisition would help the Company to offer accounting software solutions to businesses in line with its long-term vision of enabling businesses.

#### 2. Finlite Technologies Private Limited ('Livekeeping')

During the financial year, the Company entered into an agreement to acquire 51% of the paid-up capital of Livekeeping for an aggregate consideration of ₹ 459.8 million. Post completion of acquisition, Livekeeping will become the subsidiary of the Company.

Livekeeping offers value added services to businesses over their existing on-premises accounting software like Tally. It provides desktop based digital integration with

on premise accounting software which syncs the data automatically to its mobile based application enabling the user to view their accounting data on mobile. Businesses can access, analyse and share accounting information like sales, receivables, outstanding payments in real time through Livekeeping application. In addition, Livekeeping also offers APIs to connect on premise accounting software, like Tally, with different e-commerce platforms, ERP's and software enabling speedily transfer of data.

**Development/Performance and Financial Position of each Associate Company(s) is presented below:**

#### INVESTMENTS THROUGH INDIAMART

- IB MonotaRO Private Limited ('Industry Buying')**, was incorporated on July 28, 2020. It is engaged in the e-commerce business for Industrial and Business supplies in India, under its brand name 'Industry Buying'. It offers utility products in Maintenance, Repairs and Overhaul ('MRO') categories like power tools, abrasives, electronics, robotics, hand tools and many more such products to its customers primarily for industrial purposes.

During the reporting period, the Company entered into a agreement with Industry Buying for acquiring 26% of its paid-up share capital on fully diluted basis for a cash consideration of ₹ 1,042 million. Subsequently, Industry Buying became the Associate Company on completion of the acquisition on March 03, 2022.

As on March 31, 2022, its total revenue was ₹ 282.06 million and net loss after taxation was ₹ 184.19 million.

- Simply Vyapar Apps Private Limited ('Vyapar')**, was incorporated on March 08, 2018. It is currently involved in the business of selling 'Vyapar', a Business Accounting Software made for Indian Small Businessmen to deal with invoicing, inventory, accounting needs, and much more. During the financial year, the Company increased its stake to 27% in the share capital of Vyapar, on fully convertible and diluted basis.

As on March 31, 2022, its total income was ₹ 209.02 million and the net loss after taxation was ₹ 320.76 million.

- Ten Times Online Private Limited ('10times')**, was incorporated on February 26, 2014, as a wholly-owned subsidiary of the Company. 10times is currently engaged in the business of operating [www.10times.com](http://www.10times.com), a platform for business events discovery and networking. It creates a unique virtual experience by streaming services thereby, enabling customers to create, manage and host events as well as communities. The Company owns 30% in 10times and therefore is considered as an Associate Company.

As on March 31, 2022, its total income was ₹ 64.62 million and the net loss after taxation was ₹ 3.01 million.

#### INVESTMENTS THROUGH TRADEZEAL

- Agillos E-Commerce Private Limited ('Aerchain')**, was incorporated on May 05, 2016. It is engaged 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, analysing and recommending suppliers to drive cost benefits.

The Company indirectly through its wholly-owned subsidiary, Tradezeal Online Private Limited, acquired 26.23% share capital of Aerchain on fully converted and diluted basis for an aggregate consideration of approximately ₹ 260 million.

As on March 31, 2022, its total revenue was ₹ 38.32 million and net loss after taxation was ₹ 19.25 million.

- 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.

The Company indirectly through its wholly-owned subsidiary, Tradezeal Online Private Limited, acquired 26.01% share capital of EasyEcom on fully converted and diluted basis for an aggregate consideration of approximately ₹ 1,335 million.

As on March 31, 2022, its total revenue was ₹ 40.89 million and net profit after taxation was ₹ 3.77 million.

- Shipway Technology Private Limited ('Shipway')**, was incorporated on August 06, 2015. It is engaged in the business of developing SaaS based solutions which 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.

The Company indirectly through its wholly-owned subsidiary, Tradezeal Online Private Limited, acquired 26% share capital of Shipway on fully converted and diluted basis for an aggregate consideration of approximately ₹ 182 million.

As on March 31, 2022, its total revenue was ₹ 47.60 million and net loss after taxation was ₹ 0.89 million.

- Truckhall Private Limited ('SuperProcure')** was incorporated on August 18, 2016. It is 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.

The Company indirectly through its wholly-owned subsidiary, Tradezeal Online Private Limited, acquired 25.02% share capital of SuperProcure on fully converted and diluted basis for an aggregate consideration of approximately ₹ 110.10 million.

As on March 31, 2022, its total revenue was ₹ 45.18 million and net loss after taxation was ₹ 34.38 million.

**Further, following changes have taken place in the status of Associate Company during the period subsequent to the end of financial year and date of this Report:**

**Adansa Solutions Private Limited ('Realbooks')** was incorporated on May 22, 1973, engaged in a business of offering a cloud-based accounting software product for businesses. Furthermore, it enables businesses to create customized invoices, attach files to vouchers, and manage their inventory. It also enables businesses to manage their different business units at multiple locations from a single dashboard.

During the financial year, the Company indirectly through its wholly-owned subsidiary, Tradezeal Online Private Limited, entered into an agreement to acquire 26.01% share capital of Realbooks on fully converted and diluted basis for an aggregate consideration of approximately ₹ 1,375 million. Subsequently, Realbooks became the Associate of the Company on completion of the acquisition on April 05, 2022.

During the financial year, the Board of Directors of the Company reviewed the affairs of its subsidiary and associate company(s). Pursuant to the provisions of Section 136 of the Act, separate audited accounts of the subsidiaries are available on the website of the Company at [https://investor.indiamart.com/Subsidiary\\_Financials.aspx](https://investor.indiamart.com/Subsidiary_Financials.aspx).

Pursuant to the provisions of Section 129(3) of the Act, 2013 and Ind - AS 110 issued by the Institute of Chartered Accountants of India, the Consolidated Financial Statements of the Company have been prepared including the financial statements of its subsidiary and associate company(s), which



forms integral part of this Annual Report. A statement containing the salient features of the financial statements of the subsidiary and associate company(s) and their performance is provided in Form AOC-1 which is attached as ‘Annexure – 1’ to this report.

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.

As on March 31, 2022, there is no material subsidiary of the Company. The Policy for determining material subsidiaries is available on the Company’s website at <https://investor.indiamart.com/CorporateGovernance.aspx>.

### SHARE CAPITAL

During FY 2022, there is no change in the Authorised Share Capital of the Company. As on March 31, 2022, the Authorised Capital of the Company is ₹ 99,44,25,584/- divided into 9,94,42,460 Equity Shares having face value of ₹ 10/- each and 3 (Three) 0.01% Cumulative Preference Shares having face value of ₹ 328/- each.

The movement of the issued, subscribed and paid-up share capital of the Company during the financial year is as follows:

	Amount (In ₹)
Issued, Subscribed and Paid-up Share Capital	Equity Share Capital
At the beginning of the year i.e., as on April 01, 2021 (3,03,63,728 equity shares of ₹ 10/- each)	303,637,280
Stock Options allotted during the financial year under:	
Indiamart Employee Stock Option Scheme, 2015 (27,846 equity shares of ₹ 10/- each to ESOP Allottees)	278,460*
Indiamart Employee Stock Benefit Scheme – 2018 (1,73,000 equity shares of ₹ 10/- each to Indiamart Employee Benefit Trust)	1,730,000*
At the end of the year i.e., as on March 31, 2022 (3,05,64,574 equity shares of ₹ 10/- each)	305,645,740

\*The equity shares so allotted were duly listed on the Stock Exchanges.

During the period subsequent to end of the financial year and date of this report, the Share Allotment Committee in its meeting held on April 21, 2022 approved the allotment of 210,000 Equity Shares having face value of ₹ 10/- each to Indiamart Employees Benefit Trust under Indiamart Employee Stock Benefit Scheme 2018. Consequently, the paid-up share capital of the Company at the date of this Report i.e., April 28, 2022 is ₹ 307,745,740/- divided into 30,774,574 equity shares of ₹ 10 each.

### EMPLOYEES STOCK BENEFIT SCHEMES

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. In view of the above, the Company currently has the following two (2) schemes:

#### i. Indiamart Employee Stock Option Scheme 2015

Pursuant to a resolution of the Board of Directors dated June 08, 2015 and shareholders resolution dated September 23, 2015, the Company adopted the IndiaMART Employees Stock Option Scheme - 2015, which governs all previous stock option schemes of our Company, including Grant 2010, Grant 2012 and Grant 2013. The maximum Equity Shares that may be issued upon exercising of grants under the Indiamart Employee Stock Option Scheme 2015 should not exceed the aggregate of 5% of the expanded share capital of our Company and the existing pool of 15,16,216 options that were approved pursuant to the shareholder resolutions dated November 10, 2008 and October 27, 2012. However, pursuant to a resolution passed by the Board of Directors dated April 30, 2018, the Indiamart Employee Stock Option Scheme 2015 was discontinued with respect to future grants of options.

Further, the shareholders at their meeting held on May 07, 2018 passed a resolution that 3,72,746 options, comprising the options under Indiamart Employee Stock Option Scheme 2015 that had not been granted to eligible employees, will henceforth be governed by the Indiamart Employee Stock Benefit Scheme 2018. At the same meeting, the shareholders also approved Bonus of (1:1) to all Equity shareholders of the Company with appropriate adjustments on issue of bonus, to the outstanding options granted but not exercised by the option holders as on record date under Indiamart Employee Stock Option Scheme 2015 and their respective exercise price so that such option holder gets the same shareholding to which they would have been entitled to as if, all such options had been exercised before the issue of such bonus shares.

The Nomination and Remuneration Committee is authorized to administer the Indiamart Employee Stock Option Scheme 2015 and is entitled to determine the terms of the stock options at the time of their grant.

During FY 2022, 13,923 ESOP options were vested on June 01, 2021. The Nomination and Remuneration Committee opened an exercise window from June 01, 2021 to July 31, 2021 wherein vested 13,923 options were exercised into 27,846 Equity Shares of the Company. Post this allotment, no option exist under Indiamart Employee Stock Option Scheme 2015 as on March 31, 2022.

#### ii. Indiamart Employee Stock Benefit Scheme 2018

Pursuant to a resolution of the Board of Directors dated April 30, 2018 and the shareholders’ resolution dated May 7, 2018, the Company instituted an Employee Stock Benefit Scheme. In terms of the Indiamart Employee Stock Benefit Scheme 2018, eligible employees may be granted options and/or stock appreciation rights (‘SARs’). Pursuant to a trust deed dated June 14, 2018, a trust by the name

“IndiaMART Employee Benefit Trust” (‘EBS Trust’) has been set up in connection with the implementation of Indiamart Employee Stock Benefit Scheme 2018. The current trustees of the ESOP Trust are Mr. Madhup Agrawal, Mr. Abhishek Bhartia, Mr. Vivek Agrawal and Ms. Vasudha Bagri. The EBS Trust has been set up to implement equity-based incentive schemes of our Company, including the Indiamart Employee Stock Benefit Scheme 2018, whereby the Company will initially issue and allot the Equity Shares to the EBS Trust, which will subsequently, transfer the Equity Shares to our employees when they exercise their stock options or SAR units.

In terms of the Indiamart Employee Stock Benefit Scheme 2018 and resolutions passed by the Board of Directors on June 04, 2018 and Shareholders on June 11, 2018, a maximum of 45,492 stock options resulting into 45,492 Equity Shares and 1,400,000 SAR units resulting into not more than 7,00,000 Equity Shares in aggregate may be granted to eligible employees, identified in accordance with the Indiamart Employee Stock Benefit Scheme 2018. The Indiamart Employee Stock Benefit Scheme 2018 is administered and monitored by the Nomination and Remuneration Committee of the Company.

The Nomination and Remuneration Committee granted 800,740 SAR units to eligible employees at ₹ 500/- per unit on October 01, 2018. During FY 2022, the Company further granted 77,370 SAR units and 45,490 ESOP options to the eligible employees at ₹ 10/- per unit per option.

During FY 2022, 212,850 SARs were vested on October 01, 2021. The Nomination and Remuneration Committee opened an exercise window from October 01, 2021 to November 30, 2021 wherein vested 212,850 SAR units were exercised into 2,08,850 Equity Shares of the Company.

The details of the Employee Stock Options/Stock Appreciation Rights as per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is attached as ‘Annexure – 8’ to this Report.

During the financial year, there was no material change in IndiaMART Employee Stock Option Scheme 2015 and Indiamart Employee Stock Benefit Scheme 2018 (collectively referred as ‘Schemes’) and both the schemes are in line with SEBI (Share Based Employee Benefits) Regulations, 2014 (‘SBEB Regulations’). A Certificate from Secretarial Auditors of the Company that the Schemes are implemented in accordance with the SBEB Regulations would be available at the AGM for the inspection by the member. The applicable disclosures as stipulated under SBEB Regulations regarding Employees Stock Option Plan of the Company as on March 31, 2022 is available on the website of the Company at [https://investor.indiamart.com/ESOP\\_Disclosure.aspx](https://investor.indiamart.com/ESOP_Disclosure.aspx).

### 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, 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. Brijesh Kumar Agrawal, Whole-time 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, Regulation 36 of the Listing Regulations and Secretarial Standards - 2 related to the Director proposed to be re-appointed is annexed to the Notice convening the AGM.

The details of Directors and Key Managerial Personnel’s (‘KMPs’) of the Company has been disclosed in the Corporate Governance Report forming an integral part of this Report. None of the Directors or KMPs of the Company have resigned during the financial year.

#### Number of meetings of the Board of Directors

During FY 2022, four (4) board meetings were held. The details of the meetings of the Board and its Committees are given in the Corporate Governance Report, which forms an integral part of this Report.

#### Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Act, the Independent Directors of the Company have given their declarations to the Company that they meet the criteria of independence as provided under Section 149(6) of the Act read along with Rules framed thereunder and Regulation 16(1) (b) & 25(8) of the Listing Regulations and are not disqualified from continuing as an Independent Director of the Company. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Based on the disclosures received, the Board is of the opinion that, all the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the management.

Further, in compliance with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA).

### Independent Directors Meeting

In accordance with Section 149(8) read with Schedule IV of the Act and Regulation 25 of Listing Regulations, a separate meeting of the Independent Directors was held on April 29, 2021, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter-alia, evaluated the performance of the Non-Independent Directors, various committees of the Board and the Board as a whole for FY 2021. The Independent Directors also reviewed the quality, content, and timeliness of the flow of information from the management to the Board and its committees which is necessary to perform reasonably and discharge their duties. All the Independent Directors of the Company were present in the said meeting.

### Board Diversity

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity & gender, which will help us retain our competitive edge. Your Board comprises of experts in the field of Finance, Corporate Governance, Technology in Financial Inclusion, Enterprise Management, People Management and Leadership skills. Your Company has also appointed a Woman Director on the Board.

In terms of Regulation 19 of Listing Regulations and under Part D, Schedule II to the said Regulations, a Board Diversity Policy must be framed, and duly approved by Nomination and Remuneration Committee of the Board. The Board Diversity Policy of the Company can be accessed on the Company's website i.e., <https://investor.indiamart.com/CorporateGovernance.aspx>.

### Familiarization Programme for Independent Directors

The Company familiarizes the Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programme at periodic intervals.

As a part of the ongoing familiarization process of the Company, Independent Directors were apprised, during and/or after quarterly Board Meetings, by the Managing Director and Chief Executive Officer and/or Whole-time Director about the operations of the Company, market scenario, governance, internal control processes and other relevant matters including strategy, important developments and new initiatives undertaken by the Company.

Further, the Senior Management Personnel made presentations on relevant topics including business, markets, controls, changes in the regulatory framework and business environment having an impact on the Company. The Directors generally meet for reviewing the business of the Company prior to the official Board Meetings.

The details pertaining to Familiarization Programme for Independent Directors has been incorporated in the 'Corporate Governance Report' forming an integral part of this Report.

### EVALUATION OF THE BOARD'S PERFORMANCE

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors

The annual performance evaluation of the Board, its Committees and each Director has been carried out in accordance with the framework. The details of evaluation process of the Board, its Committees and individual Directors, including Independent Directors have been provided in the Corporate Governance Report forming an integral part of this Report.

### 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 & explanations obtained by them, confirm that:

- in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;
- the Directors had 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 as on March 31, 2022 and of the profit and loss of the Company for the period ended on that date;
- the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy ('NRC Policy') in accordance with the provisions of Act read with the Rules issued thereunder and the Listing Regulations. The NRC Policy of the Company can also be accessed on the Company's website at <https://investor.indiamart.com/CorporateGovernance.aspx>. The salient features of the NRC Policy have been disclosed in the Corporate Governance Report forming an integral part of this report.

### LISTING OF SHARES

The Equity Shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') with effect from July 04, 2019. The annual listing fees for FY 2023 has been paid to both the Stock Exchanges i.e., BSE and NSE.

### UTILISATION OF QIP PROCEEDS

Pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Sections 42 and 62 of the Act, the Company allotted 12,42,212 equity shares through Qualified Institutional Placement ('QIP') at an issue price of ₹ 8,615 per

equity share (including a premium of ₹ 8,605 per equity share) aggregating to ₹ 10,701.66 million on February 22, 2021. The proceeds of funds raised under QIP of the Company are utilised as per Objects of the Issue. The details of the utilisation of the funds raised have been provided in the Corporate Governance Report forming an integral part of this Report.

### COMMITTEES OF THE BOARD

The Company has several committees, which have been established as part of best corporate governance practices and comply with the requirements of the relevant provisions of applicable laws and statutes.

The Committees and their Composition as on March 31, 2022 are as follows:

Particulars	Mr. Dinesh Chandra Agarwal	Mr. Brijesh Kumar Agrawal	Mr. Dhruv Prakash	Mr. Vivek Narayan Gour	Ms. Elizabeth Lucy Chapman	Mr. Rajesh Sawhney
Audit	-	-	Member	Chairman	Member	Member
Nomination and Remuneration	-	-	Member	-	Chairperson	Member
Stakeholders' Relationship	-	Member	Member	Chairman	-	-
Corporate Social Responsibility	-	Member	-	Member	Member	-
Risk Management	-	-	Member	Member	Member	Member
Investment and Finance	-	Member	-	Member	-	Member
Share Allotment	Member	Member	Member	-	-	-

### AUDIT COMMITTEE

The terms of reference, meetings and attendance have been disclosed in the Corporate Governance Report forming an integral part of this Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

### CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Your Company believes in the philosophy of transforming businesses and lives through our constant efforts and actions for empowering societies. With a mission to achieve long-term socio-economic development of the communities, the Company has focused its Corporate Social Responsibility (CSR) initiatives on programs that bring sustainable change in education, the environment, and healthcare systems. Being a responsible corporate citizen, our initiatives are focussed at delivering maximum value to the society, under our CSR initiatives.

The Company has constituted 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. Vivek Narayan Gour and Ms. Elizabeth Lucy Chapman.

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

at <https://corporate.indiamart.com/Social-Responsibility/>. The CSR Policy 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 Board of Directors modified the CSR Policy in its meeting held on April 29, 2021 with immediate effect to align the same with the amendments in Section 135 of the Act and the CSR Rules.

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 2022 is annexed herewith as 'Annexure – 2' to this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

In term of Regulation 34 of the Listing Regulations, Management's Discussion and Analysis Report for the year under review, is presented in a separate section, forming an integral part of this Annual Report.

### CORPORATE GOVERNANCE REPORT

Your Company always places a major emphasis on managing its affairs with diligence, transparency, responsibility and accountability. The Company continues to focus on building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz. integrity, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values.



In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Practicing Company Secretaries conforming compliance to the conditions of Corporate Governance as stipulated under Regulation 34(3) of the Listing Regulations, is also annexed to the Corporate Governance Report which forms part of this Report as **'Annexure – 3'**.

#### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy in accordance with provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations, to provide a formal mechanism to its Directors/ Employees/Stakeholders of the Company for reporting any unethical behaviour, breach of any statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPSI), misuse of office, suspected / actual fraud and criminal offences.

The details of vigil mechanism as provided in the Whistle Blower Policy have been disclosed in the Corporate Governance Report forming an integral part of this Report. During the year under review, no such concern from any whistle-blower has been received by the Company. The Whistle Blower Policy is available on Company's Intranet and can also be accessed on the Company's website at <https://investor.indiamart.com/CorporateGovernance.aspx>.

#### INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial control systems in place which are supplemented by an extensive internal audit program conducted by an independent professional agency. The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements and for maintaining accountability of assets. During the financial year, such controls were tested and no reportable material deficiency in controls were observed.

#### RISK MANAGEMENT

Risk Management is an integral and important component of Corporate Governance. If risks are not properly managed and controlled, they can affect the Company's ability to attain its objectives. The Board of Directors of the Company has constituted Risk Management Committee ('RMC') which assists the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of the Company and such other functions as Board may deem fit. 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 Risk Management Policy identifies elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

The Risk Management Committee met on October 20, 2021 and March 24, 2022 wherein it primarily reviewed the Risk Framework of the Company.

A detailed section on Risk Management is provided in the Management Discussion and Analysis Report forming an integral part of the Annual Report.

#### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Investments made during the financial year under the provisions of Section 186 of the Companies Act, 2013, have been disclosed in Note No. 08 to the Standalone Financial Statements forming an integral part of the Annual Report. Further, investment made directly and indirectly by the Company are mentioned elsewhere in this report.

Additionally, the Company has invested the surplus funds available in the units of mutual funds, tax-free bonds and debt securities, the details of which have been disclosed in Note No. 08 to the Standalone Financial Statements forming an integral part of the Annual Report.

During the financial year, the Company has not given any loan or provided any guarantees pursuant to Section 186 of the Act. However, the Company provided inter-corporate loan to Tradezeal Online Private Limited, its wholly owned subsidiary, for operational capital requirement, which was repaid during FY 2022.

#### 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 and were approved by the Audit Committee. Further, during the reporting period, the Company has not entered into any arrangement/ transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions, read with the Listing Regulations 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. 33 to the Standalone Financial Statement forming an integral part of this Annual Report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board can be accessed at the Company's website at <https://investor.indiamart.com/CorporateGovernance.aspx>.

#### PARTICULARS OF EMPLOYEES

Disclosure pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Ratio of the remuneration of each Director to the median remuneration of the employee's ('MRE') and other details pursuant to Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014. The aforesaid disclosure is annexed herewith as **'Annexure – 4'** to this report.

- Detail of every employee of the Company as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The aforesaid disclosure is annexed herewith as **'Annexure – 5'** to this report.
- No Director of the Company, including its Managing Director or Whole-Time Director, is in receipt of any commission from the Company or its Subsidiary Company.

#### AUDITORS

##### a) Statutory Auditors

B S R & Co. LLP, Chartered Accountants, (Firm Registration No: 101248W/W-100022) were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on September 25, 2019, for a term of 5 (Five) consecutive years, i.e., to hold office from the conclusion of the 20th Annual General Meeting till the conclusion of the 25th 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.

##### b) Internal Auditors

Mazars Business Advisory Private Limited, who were appointed as an Internal Auditors of the Company for FY 2022, have conducted the internal audits periodically and shared their reports and findings with the Audit Committee including significant observations, if any, and follow-up actions thereon from time to time. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening the Company's risk management policies and systems.

##### c) Secretarial Auditors

M/s Sanjay Grover & Associates, Practicing Company Secretaries were appointed to conduct the Secretarial Audit of the Company for FY 2022, as required under Section 204 of the Act and Rules made thereunder. The Secretarial Auditors' Report for FY 2022 is annexed herewith as **'Annexure – 6'** to this Report. The report of Secretarial Auditor is self-explanatory and does not contain any qualification, reservation or adverse remark.

#### Reporting of frauds by Auditors

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

#### EXTRACTS OF 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 Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2021 is available on the Company's website at [https://investor.indiamart.com/Annual\\_Return.aspx](https://investor.indiamart.com/Annual_Return.aspx).

Further, Annual Return as on March 31, 2022 in the format MGT-7 is also made available on the Company's website at [https://investor.indiamart.com/annual\\_return.aspx](https://investor.indiamart.com/annual_return.aspx).

#### PREVENTION OF SEXUAL HARASSMENT

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	61
Nature of action taken by the Company	NA

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

- The workshop is part of Company's induction programme, Shubharambh for all new joiners;
- A presentation is given by the human resource business partners ('HRBP') to all new joiners sensitising on the policy in place;
- Activities falling under the purview of the POSH Policy are clearly enunciated;
- The repercussions of indulging in any distasteful act are duly communicated; and
- Introducing ICC members and sharing their contact information to park complaints.

#### BUSINESS RESPONSIBILITY REPORT

Your Company believes that it can only be successful in the long term by creating value both for its shareholders and for society. Your Company is mindful of the needs of the communities and works to make a positive difference and create maximum value for the society.



The Business Responsibility Report lays down nine (9) core principles which a listed company shall follow while undertaking its business operations. In terms of Regulation 34 of the Listing Regulations, Business Responsibility Report for FY 2022 detailing various initiatives taken by the Company on the environmental, social and governance front is annexed herewith as 'Annexure – 7' to this Report.

#### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any unpaid / unclaimed amount which is required to be transferred, under the provisions of the Act into the Investor Education and Protection Fund ('IEPF') of the Government of India.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure – 9' to this Report.

#### OTHER STATUTORY DISCLOSURES

- a) PUBLIC DEPOSITS:** Your Company has not accepted any deposits from the public, during the financial year, within the meaning of Section 73 of 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.
- b) COST RECORDS:** Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.
- c) ISSUANCE OF SHARES WITH DIFFERENTIAL VOTING RIGHTS AND SWEAT EQUITY SHARES:** Your Company has not issued any shares with differential voting rights and sweat equity shares during the financial year.
- d) DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS:** No significant material orders have been passed by any Regulators/Courts/Tribunals which has been received by the Company having impact on the going concern status and the Company's operation in future.

- e) CHANGE IN NATURE OF BUSINESS:** There was no change in nature of the business of the Company in FY 2022.
- f) COMPLIANCE OF SECRETARIAL STANDARDS:** 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.
- g) APPLICATION/PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:** 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 alongwith their status as at the end of the financial year is not applicable; and
- h) DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE:** 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.

#### CERTIFICATIONS

In adherence to the best practices prescribed under the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, the Company has undertaken certification under the ISO 27001 and ISO 22301 standards thereby establishing compliance with reasonable security practices and procedures. Further, various policies and procedures have been instituted, including 'Information Security Policy' and 'Risk Management Procedure', that are commensurate with the information assets being protected with the nature of business.

#### ACKNOWLEDGEMENT

Your Directors take this opportunity to thank and acknowledge with gratitude, the contributions made by the employees through their hard work, dedication, competence, commitment and co-operation towards the success of your Company and have been core to our existence that helped us to face all challenges.

Your Directors are also thankful for consistent co-operation and assistance received from its shareholders, investors, business associates, customers, vendors, bankers, regulatory and government authorities and showing their confidence in the Company

On behalf of the Board  
For **IndiaMART InterMESH Limited**

Place: Noida  
Date: April 28, 2022

Sd/-  
**Brijesh Kumar Agrawal**  
(Whole Time Director)  
DIN: 00191760

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

#### 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, 2022.**

#### PART "A": SUBSIDIARIES

Amount in ₹ Million				
1. Name of the Subsidiaries	Tolexo Online Private Limited	Tradezeal Online Private Limited	Hello Trade Online Private Limited	Pay With Indiamart Private Limited
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company	Same as of Holding Company	Same as of Holding Company	Same as of Holding Company
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees
4. Equity Share Capital	70.02	1.10	0.30	1.00
5. Reserves & Surplus	(403.65)	676.51	(0.32)	6.18
6. Total Assets (including investments)	39.85	775.70	0.07	47.46
7. Total Liabilities (other than equity)	373.49	98.09	0.09	40.28
8. Investments	-	773.46	-	13.54
9. Turnover (excluding other income)	9.22	-	-	25.57
10. Profit / (loss) before taxation	(92.72)	(15.90)	(0.05)	(1.51)
11. Provision for taxation	-	-	-	-
12. Profit / (loss) after taxation (before Other Comprehensive Income)	(92.72)	(15.90)	(0.05)	(1.51)
13. Proposed Dividend	-	-	-	-
14. % of Shareholding	100.00%	100.00%	100.00%	100.00%

- 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

## PART "B": ASSOCIATES AND JOINT VENTURES

### Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associates / Joint Ventures	Simply Vyapar Apps Private Limited	Ten Times Online Private Limited	Truckhall Private Limited	Shipway Technology Private Limited	Agilos E-Commerce Private Limited	Edgewise Technologies Private Limited	IB MonotaRO Private Limited
1.	Latest Audited Balance Sheet Date	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
2.	Shares of Joint Ventures / Associates held by the company on the year end	5,954 0.001% Cumulative	18,701 Equity Shares	12,846 Compulsorily Convertible Preference Shares (CCPS) and 1879 Equity Shares	4,088 Compulsorily Convertible Preference Shares (CCPS) and 100 Equity Shares	2,694 Compulsorily Convertible Preference Shares (CCPS) and 2,241 Equity Shares	4,784 Compulsorily Convertible Series A Preference Shares and 100 Equity Shares	8,11,250 Equity Shares
No.	Preference Shares (CCPS) and 10 Equity Shares							
	Amount of Investment in Joint Venture / Associates	₹ 312 million	₹ 0.93 million	₹ 110.10 million	₹ 182 million	₹ 260 million	₹ 1,335 million	₹ 1,042 million
	Extend of Holding %	The Company holds 27% of Equity Share Capital on fully converted and diluted basis	The Company holds 30% of Equity Share Capital	The Company holds 25.02% of Equity Share Capital on fully converted and diluted basis	The Company holds 26% of Equity Share Capital on fully converted and diluted basis	The Company holds 26.23% of Equity Share Capital on fully converted and diluted basis	The Company holds 26.01% of Equity Share Capital on fully converted and diluted basis	The Company holds 26% of Equity Share Capital on fully converted and diluted basis
3.	Description of how there is significant influence	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company
4.	Reason why the joint venture / associate is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 2,244.34 million	₹ 0.07 million	₹ (31.48) million	₹ 9.57 million	₹ 0.06 million	₹ 8.67 million	₹ 992.19 million
6.	Profit/Loss for the year	₹ (357.81) million	₹ (3.10) million	₹ (34.38) million*	₹ (19.62) million*	₹ (19.25) million*	₹ 3.77 million*	₹ (184.19) million*
	Considered in Consolidation	₹ (97.83) million	-	₹ (9.12) million	₹ (6.22) million	₹ (5.11) million	₹ (0.04) million	₹ (4.17) million
	Not Considered in Consolidation	-	₹ (3.10) million	-	-	-	-	-

\*Based on the unaudited financial information pertaining to FY 2022 furnished by the Management of respective Associate Companies. Further, in the opinion of the Auditors' as well as according to the information and explanations given by the Management, the said information is not material to the Group.

\*The loss of associate appearing in the consolidated statement of profit and loss is ₹ 122.49 million which is after the consolidation adjustment and depreciation on identified intangible assets as per Ind AS 28- "Investments in Associates".

1. Names of associates or joint ventures which are yet to commence operations: Not Applicable

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

On behalf of the Board  
For IndiaMART InterMESH Limited

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

Sd/-  
Manoj Bhargava  
(Company Secretary)  
Membership No.: F5164

Sd/-  
Brijesh Kumar Agrawal  
(Whole Time Director)  
DIN: 00191760

Sd/-  
Prateek Chandra  
(Chief Financial Officer)

Place: Noida  
Date: April 28, 2022

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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

Annexure - 2

### 1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN:

Your Company is committed to contribute towards Corporate Social Responsibility ('CSR') which forms an integral part of IndiaMART's activities. The Company's objective is to pro-actively support meaningful socio-economic development. It works towards developing an enabling environment that will help citizens realize their aspirations towards leading a meaningful life.

The Company endeavours to focus its CSR activities in the areas of:

- Hunger, Poverty, Malnutrition, Sanitation and Health;
- Education and Employment;
- Women, Children & Senior Citizens;
- Environment & Sport;
- National Heritage, Art and Culture;
- Armed Forces;
- Slum Development & Rural Development Projects;
- Disaster Management; and
- Donations & Contributions in the areas permissible under the Act.

With this idea of shared growth, the Company focused its CSR initiatives primarily in the field of education and in taking measures to provide suitable aid and assistance to tackle COVID-19 emergency during the year. The Company has also taken various steps to meet society's expectations by focusing on education and welfare of under privileged children.

The Company has constituted the CSR Committee as per the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. 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. Further, the Board of the Directors at their meeting held on April 29, 2021 amended the said CSR Policy to give the effect of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, effective from January 22, 2021. Web link to the CSR Policy: <https://corporate.indiamart.com/Social-Responsibility/>

### Details of the Projects under IndiaMART'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, environment and healthcare systems. Being a responsible corporate citizen, Company's initiatives are focused at delivering maximum value to the society, under our CSR initiatives.

#### 1) EDUCATION

- Tech solution to support parents of children in Government schools:** Saajha, our NGO partner, recognized the importance of parental involvement in education in the development of students and schools. They worked with parents on building a one-stop tech solution, through a mix of call and WhatsApp based support to facilitate the use of relevant tools thereby, enabling greater parental participation in learning of the children. The data was collected on calls to render support and resolve the queries of parents. The commonly faced scattered challenges were aggregated by the solution providers to assist the parents.
- Educational Facilities to Underprivileged:** Help Educate a Child (HEAC), a registered non-profit trust, which is primarily engaged in activities for promoting education including providing educational support and aid to economically underprivileged children in remote areas in and around Male Mahadeshwara Hills (MM Hills), Karnataka.

The Company contributed to HEAC for the installation of Desktops in a Computer center/library in Salur Mutt High School, MM Hills, where more than 1,100 childrens study.

Further, the Company with the help of HEAC took an initiative for providing educational aid to schools situated at MM Hills, Karnataka by installing Benches at Salur Krupa school and Alambadi school & CCTV Camera along with monitors at Gopinatham School, Alambadi School, Tholasikere School, and Salur Krupa School in Ponnachi.



**c) Entrepreneurship Mindset Curriculum:** Entrepreneurship Mindset Curriculum (EMC) is an activity that helps the youth to develop entrepreneurial mindsets, which is critical for the 21st century, through real-life entrepreneurial project experience. Udhyan Leaning Foundation ('Udhyan'), our NGO partner, on behalf of the Company, has collaborated with the State Council of Educational Research and Training (SCERT), Government of Delhi for developing EMC Framework. EMC curriculum forms part of the school timetable of government schools in the Delhi region from class IX to XII.

Through this initiative, more than 7 lakh students impacted as well as 19 thousand high school teachers got trained.

**d) Udhyan Haryana' ITI Program:** Udhyan Haryana' ITI Program is part of the Government of Haryana's mandate of creating Entrepreneurs from all the districts of Haryana and rewarding them for choosing 'Entrepreneurship' as a career option. The said program aims to create 1000 Entrepreneurs from all the Government ITIs of Haryana in next 3 years.

The Company through its NGO Partner Udhyan participated and contributed to the said project.

**e) Platinum Sponsorship of Alumni Association – HBTI:** The Company, through its CSR contribution, took a Platinum Sponsorship of Alumni Association Harcourt Butler Technological Institute, Kanpur. The fund was utilized for short-term interventions like scholarships, technical events, various events on specific themes, as well as long-term interventions like creating educational infrastructure related to technical education, courses, or establishing chairs in H.B.T.I. Kanpur for developing students as industry required human resources.

**f) Improving numeracy and literacy skills in underserved communities:** The Company took an initiative for improving basic numeracy and literacy skills through partner-led programs that helped us reach out to students in public and low-cost private schools by galvanizing participation from private organization as well as public and low-cost private schools.

This project helped in growing awareness, attract, and engage new learners by deepening engagement and increasing usage of vernacular educational content for underserved learners and facilitating students to reach their utmost academic potential, regardless of multifold hindrances faced by them including economic, social, geographical, etc.

The Company through its NGO Partner Khan Academy India participated and contributed to the said project.

**g) Infrastructure facilities to Schools:** The Company, under the CSR initiative, has given an infrastructure aid to Sadat Inter College, which was established in 1937 and located in the rural area of Uttar Pradesh. The school is co-educational and it doesn't have an attached pre-primary section, consists of grades from 9 to 12. The said contribution was utilized for building a classroom that will serve around sitting arrangements of 100 students.

## 2) COVID-19 RELIEF

**a) COVID-19 Aid Initiative – Distribution of Oxygen Concentrators:** With the second wave of COVID-19 accelerating at an unanticipated pace in April-May 2021, the healthcare system was under severe pressure with the mounting number of cases that were vastly disproportionate to the availability of medical equipment and supplies, especially in Delhi/NCR. Such an unprecedented situation created an exigency for various individuals or Corporates to step forward to offer much-needed assistance to help combat the crisis.

The Company identified the need and aided various medical institutions by providing Oxygen Concentrators, thereby catering to the shortage during the outbreak. Our team vigilantly and swiftly carried out the procurement and distribution of more than 100 Oxygen Concentrators, to around 25 different Hospitals, Medical Institutions and Health Centers in the Delhi/NCR region.

**b) Extending aid to tackle COVID 19 – Emergency Health Care Kits:** With workplaces being shut down due to the nationwide lockdown, millions of households were suffering from cash crunch and had no access to basic healthcare amenities. On account of the escalation in the cases of COVID-19, the Company's Management felt the urgency to extend support to those in need to tackle this difficult situation.

With a view to foster our aim of rendering aid to the marginalized sections of society during these tough times, as a part of the Company's CSR Initiative, our team diligently acquired and distributed more than 200 Emergency Health Care Kits primarily to workers, housekeeping staff, security guards, drivers, washers, cleaners, etc. in the Delhi/NCR region.

The kits were a combination of a digital thermometer, steam vaporizer, and pulse oximeter which would help the recipients, their families, and friends to monitor and recuperate in case if they may be affected from COVID 19.

## 2. Composition of the CSR Committee

The CSR Committee, constituted under Companies Act, 2013, comprised of three (3) directors as on March 31, 2022 as per the details given below:

S. No.	Name of the Director	Nature of Directorship	Designation
1	Mr. Brijesh Kumar Agrawal	Promoter / Executive Director	Member
2	Ms. Elizabeth Lucy Chapman	Non-Executive / Independent Director	Member
3	Mr. Vivek Narayan Gour	Non-Executive / Independent Director	Member

**3. Weblink where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:**

<https://corporate.indiamart.com/Social-Responsibility/>

**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:

S. No.	Financial year	Amount available for set-off from preceding financial years (₹ in millions)	Amount required to be set off for the financial year, if any (₹ in millions)
1	2020-21	1.51	1.51
	<b>TOTAL</b>	<b>1.51</b>	<b>1.51</b>

## 6. Average net profit of the Company as per section 135(5) : ₹ 1,818.44 million

### 7.

a.	2% of average net profit of the company as per section 135(5)	: ₹ 36.37 million
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	: NIL
c.	Amount required to be set off for the financial year, if any	: ₹ 1.51 million
d.	Total CSR obligation for the financial year (7a+7b-7c)	: ₹ 34.86 million

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In million)	Amount spent (in ₹)					
	Total Amount transferred to Unspent CSR Account as per section 135(6)		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	
34.89	-	-	-	-	-	-

## (b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII in the Act	(4) Local area (Yes/No)	(5) Location of the project State District	(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency Name CSR Registration number
<b>TOTAL</b>	-	-	-	-	-	-	-	-	-	-

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the Project State District	(6) Amount spent for the Project (₹ in million)	(7) Mode of implementation on - Direct (Yes / No)	(8) Mode of implementation - Through implementing agency Name CSR Registration Number
1.	COVID-19 Aid Initiative –Distribution of Oxygen Concentrators	Promoting healthcare including preventive healthcare	Yes	Delhi All districts of Delhi	9.48	Yes	- -
2.	Tech solution to support parents of children in Government schools	Promoting Education	Yes	Delhi All districts of Delhi	7.64	No	SAAJHA CSR00000418
3.	Extending aid to tackle COVID 19 – Emergency Health Care Kits	Promoting healthcare including preventive healthcare	Yes	Delhi All districts of Delhi	1.02	Yes	- -



(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the Project		(6) Amount spent for the Project (₹ in million)	(7) Mode of implementation on – Direct (Yes / No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
4.	Installation of Desktops to Underprivileged/ Technology support to underprivileged	Promoting Education	Yes	Karnataka	MM Hills	0.40	No	Help Educate a Child (HEAC)	CSR00003143
5.	Infrastructure facilities to Schools	Promoting Education	Yes	Karnataka	MM Hills	0.33	No	Help Educate a Child (HEAC)	CSR00003143
6.	Platinum Sponsorship of Alumni Association - HBTI	Promoting Education	Yes	Uttar Pradesh	Kanpur	0.50	Yes	-	-
7.	Entrepreneurship Mindset Curriculum	Promoting Education	Yes	Delhi	East Delhi, North East Delhi, North West Delhi, West Delhi, South West Delhi, South Delhi, South East Delhi, Central Delhi, New Delhi	4.50	No	Udhyam Learning Foundation	CSR00004751
8.	Udhyami Haryana ITI Program	Promoting Education	Yes	Haryana	Kurukshetra, Sonapat, Yamunanagar, Rohtak, Panipat, Faridabad, Panchkula, Hisar, Gurugram, Ambala etc.	3.00	No	Udhyam Learning Foundation	CSR00004751
9.	Improving numeracy and literacy skills in underserved communities	Promoting Education	Yes	Assam / Maharashtra / Uttar Pradesh	Tinsukia / Ratnagiri / Etah / Buldhana	7.50	No	Khan Academy India	CSR00001762
10.	Infrastructure facilities to Schools	Promoting Education	Yes	Uttar Pradesh	Nanpara	0.52	Yes	-	-
<b>TOTAL</b>		-	-	-	-	<b>34.89</b>	-	-	-

- (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 (8b+8c+8d+8e) : ₹ 34.89 million
- (g) Excess amount for set off, if any : ₹ 1.51 million

S. No.	Particulars	Amount (₹ in million)
(i)	Two percent of average net profit of the company as per section 135(5)	36.37
(ii)	Total amount spent for the Financial Year	36.40*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.03

\*including set off of FY 2020-21.

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

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-	-	-	-	-	-	-	-
<b>TOTAL</b>		-	-	-	-	-	-

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

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the Project in the reporting financial year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the Project – Completed / ongoing
-	-	-	-	-	-	-	-	-
<b>TOTAL</b>		-	-	-	-	-	-	-

10. 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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

On behalf of the Board  
For IndiaMART InterMESH Limited

Sd/-  
Brijesh Kumar Agrawal  
(Whole Time Director)  
DIN: 00191760

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

Place: Noida  
Date: April 28, 2022

## Annexure - 3

## REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and forming part of the Boards' Report for the financial year ended March 31, 2022]

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance philosophy of IndiaMART InterMESH Limited ('Company') is based on strong foundations of ethical values, professionalism, focus on fairness and transparency and is driven by the interest of the stakeholders. Our corporate governance framework is guided by our core values - Team Work, Responsible, Integrity and Passion ('TRIP'), which runs in the DNA of our business model.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The Company's philosophy aims at establishing the framework for attaining company's objectives while balancing the interests of all its stakeholders and ensuring that the Company's businesses are being conducted in an accountable and fair manner. In keeping view with its commitment to the principles of good Corporate Governance, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings. The Company continuously endeavours to review, strengthen and upgrade its systems and processes to bring in transparency and efficiency in its various business segments.

As a part of its Corporate Governance measures, the Company aims to maintain transparency in its financial and statutory reporting and keeps all its stakeholders informed about its policies, performance and developments. The Company encourages feedback from its stakeholders by way of a structured online feedback mechanism, dedicated feedback helpline 9696969696 for calls & WhatsApp, investor and earning calls, emails, questions box options, etc. The Company endeavours to provide constructive response and solutions on the feedback received and has designated a Grievance Officer to look into the concerns and offer amicable solution. Importance is given to social media monitoring to address any concerns raised therein and for taking adequate steps to resolve the same.

Your Company adheres to the highest level of Governance and always strives to adopt best global practices in Corporate Governance and remains abreast with the continuous developments in the industry's Corporate Governance systems. The entire framework is governed by a strong Board of Directors and executed by a committed team of management and employees.

### BOARD OF DIRECTORS

The Board of Directors provide leadership and guidance to the Company's Management while discharging its fiduciary responsibilities, directs as well as reviews business objectives, management strategic plans and monitors the performance of the Company.

The Company firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the management.

In conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and applicable provisions of the Companies Act, 2013 ('Act'), as amended from time to time, your Company has a professional Board with right mix of knowledge, skills, experience and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors including a Woman Director and requisite number of Independent Director's, although there is no designated Chairman of the Board.

As on March 31, 2022, the Company's Board is comprised of six (6) Directors, of which two (2) are Executive Directors, three (3) are Independent Non-Executive Directors and one (1) is a Non-Executive Director.

Pursuant to the provisions of Section 149, 152, 161 and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the Listing Regulations, as amended or re-enacted from time to time, the Company has appointed Ms. Elizabeth Lucy Chapman (DIN: 06459440) as a Woman Director (Independent) on the Board.

The Board Composition and categories of Directors, their number and details of Directorships, Committee Membership(s)/ Chairmanship(s) as on March 31, 2022, attendance of each Director at the Board Meetings of the Company held during FY 2022 and at the last Annual General Meeting ('AGM') of the Company alongwith equity shareholding of each Director as on March 31, 2022 is given below:

S. No.	Name of Director	Age	DIN	Designation & Category	Attendance at Meetings		Other Directorship		Committee Positions**		No. of Equity Shares held	
					No. of Board Meetings	Last AGM Attended	Number of Directorship*	Name of other listed entity and Category of Directorship	Memberships	Chairmanships		
					Held	Attended						
1.	Mr. Dinesh Chandra Agarwal#	53	00191800	Managing Director & CEO - Promoter & Executive Director	4	4	Yes	1	-	0	0	8,630,747
2.	Mr. Brijesh Kumar Agrawal#	45	00191760	Whole-time Director - Promoter & Executive Director	4	4	Yes	1	-	1	0	5,848,544
3.	Mr. Dhruv Prakash	70	05124958	Non-Independent Non-Executive Director	4	4	Yes	2	-	4	1	16,838
4.	Mr. Vivek Narayan Gour	59	00254383	Independent Non-Executive Director	4	4	Yes	3	Cyient Limited - Independent Afflie (India) Limited - Independent	4	4	6,700
5.	Ms. Elizabeth Lucy Chapman	41	06459440	Independent Non-Executive Director	4	4	Yes	2	-	2	0	-
6.	Mr. Rajesh Sawhney	56	01519511	Independent Non-Executive Director	4	4	Yes	2	-	1	0	5,000

#### NOTES:

\* Excluding private companies, foreign companies and Section 8 companies as per the Act but including directorships in IndiaMART InterMESH Limited.

\*\* Includes only Audit Committee & Stakeholders' Relationship Committee of Indian Public Companies only, including Committees of IndiaMART InterMESH Limited as per Regulation 26 of the Listing Regulations.

# Mr. Dinesh Chandra Agarwal and Mr. Brijesh Kumar Agrawal are cousins. Apart from this, none of the Directors are related to each other.

The attendance of the Directors at the Board Meetings during FY 2022 was 100%.

As mandated under Regulation 26 of the Listing Regulations and based on the disclosures/intimations received from the Directors periodically, none of the Directors of the Company hold Chairmanships/Memberships more than the prescribed limits.

### BOARD MEETINGS

The Board meets atleast four (4) times a year to discuss and review the Company's performance, its quarterly audited financial results along with the other agenda matters and meet more often if Company needs merit additional oversight and guidance. However, in case of business exigencies or urgency, meetings are convened at a shorter notice with appropriate approvals or certain resolutions are passed by circulation, as permitted by law, which are noted in the subsequent meeting. Due to continued situation of COVID-19 pandemic and social distancing norms, the Board/Committee meetings were held through Video Conferencing/Other Audio Visual Means ('VC/OAVM') during FY 2022 except otherwise stated.

The Board and its Committees have complete access to all relevant and timely information required for taking informed decisions at the Board/Committee meetings. The Board/ Committee members are provided with well-structured notes to agenda along with annexures, as applicable atleast seven (07) days before the meetings except for the meetings called at a shorter notice. In exceptional circumstances, additional or supplementary item(s) are taken up with permission of the Chairman of the respective meeting and the consent of the majority of Board/Committee members present at the meeting. With a view to leverage technology and with the perspective of environmental preservation, notice, notes to agenda/presentations and minutes are circulated in electronic form. Draft minutes of the Board and Committee meetings are circulated to the Directors of the Company for their comments and thereafter, noted by the Board/Committees at the next meeting.

During FY 2022, four (4) Board Meetings were held on April 29, 2021, July 22, 2021, October 21, 2021 and January 24, 2022 and the maximum gap between the two (2) meetings did not exceed one hundred and twenty (120) days.

### Core Skills, Expertise and Competencies of Board of Directors

The Board comprises qualified members who bring in the required skills, expertise and competencies from variety of sectors that allows them to make effective contribution to the Board and its Committees.

The following are the skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

S.No.	Skills / Expertise / Competence	Name of Directors
1.	Expertise and knowledge in the field of information technology, telecom, database and digitalisation and business environment	a) Mr. Dinesh Chandra Agarwal b) Mr. Brijesh Kumar Agrawal c) Mr. Vivek Narayan Gour d) Mr. Rajesh Sawhney e) Ms. Elizabeth Lucy Chapman f) Mr. Dhruv Prakash
2.	Expertise and knowledge in the field of finance, taxation, compliance and corporate governance	a) Mr. Dinesh Chandra Agarwal b) Mr. Brijesh Kumar Agrawal c) Mr. Vivek Narayan Gour d) Mr. Rajesh Sawhney e) Ms. Elizabeth Lucy Chapman f) Mr. Dhruv Prakash
3.	Knowledge of interpersonal skills and human resource management	a) Mr. Dinesh Chandra Agarwal b) Mr. Brijesh Kumar Agrawal c) Mr. Vivek Narayan Gour d) Mr. Rajesh Sawhney e) Ms. Elizabeth Lucy Chapman f) Mr. Dhruv Prakash
4.	Knowledge of sales, marketing, corporate strategy and planning	a) Mr. Dinesh Chandra Agarwal b) Mr. Brijesh Kumar Agrawal c) Mr. Vivek Narayan Gour d) Mr. Rajesh Sawhney e) Ms. Elizabeth Lucy Chapman f) Mr. Dhruv Prakash

The profiles of Directors can be accessed on the Company's website at <https://investor.indiamart.com/BoardofDirectors.aspx>.

#### Independent Directors

All Independent Directors of the Company are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interests of stakeholders and the Company. They have been appointed in compliance with the requirements of the Act and Listing Regulations.

In accordance with Section 149(8) read with Schedule IV of the Act and Regulation 25 of Listing Regulations, a separate meeting of the Independent Directors was held on April 29, 2021, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter-alia, evaluated the performance of the Non-Independent Directors, various committees of the Board and the Board as a whole for the FY 2021. The Independent Directors also review the quality, content, and timeliness of the flow of information from the management to the Board and its committees which is necessary to perform reasonably and discharge their duties. All the Independent Directors of the Company were present in the said meeting.

Based on the disclosures received from all the Independent Directors, the Board is of the opinion that all the Independent Directors of the Company fulfil the conditions as specified in the Act and Listing Regulations and are thereby independent of the management of the Company. No Independent Director serves as Independent Director in more than seven (7) listed companies.

Further, all the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has obtained the Certificate from M/s Sanjay Grover & Associates, Practising Company Secretaries that none of the Directors on the Board of the Company has been debarred or disqualified for being appointed or continuing as directors of the Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as 'Annexure – 10' forming an integral part of this Report.

During FY 2022, none of the Independent Directors of the Company have resigned from the Directorship of the Company.

#### Familiarisation Programme for Independent Directors

In accordance with Section 149 read with Schedule IV of the Act and Regulation 25 of Listing Regulations, the Company has put in place a system to familiarise the Independent Directors regarding their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, Company's Strategy, business model and performance updates of the Company, etc.

As a part of the ongoing familiarization process, Independent Directors were apprised during and/or after quarterly Board Meetings, by the Managing Director and Chief Executive Officer and/or Whole-time Director about the operations of the Company, market scenario, governance, internal control processes and other relevant matters including strategy, important developments and new initiatives undertaken by the Company.

Further, the Senior Management Personnel made presentations on relevant topics including business, markets, controls, changes in the regulatory framework and business environment having an impact on the Company. The Directors also generally meet for reviewing the business of the Company prior to the official Board Meetings.

The details of familiarization programme have been disclosed on the website of the Company at <https://investor.indiamart.com/CorporateGovernance.aspx>.

#### COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations. The Committee operate as empowered agents of the Board as per their terms of reference that set forth their purpose, goals and responsibilities. Accordingly, the Board has constituted several Committees of Directors with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters. Further, the Company Secretary of the Company acts as the Secretary to all the Committees. These Committees meet as often as required or as statutorily required. Board Committees and its Composition has been disclosed on the website of the Company at <https://investor.indiamart.com/BoardofDirectors.aspx>.

During FY 2022, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board.

#### 1. Audit Committee

The Company has a duly constituted Audit Committee, in accordance with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. The terms of reference of the Audit Committee includes the matters specified under Regulation 18 and Part C of Schedule II of the Listing Regulations and Section 177 of the Act, as amended from time to time, and other matters referred by Board. The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Audit Committee through regular interaction with the external and internal auditors and review of various financial statements ensures that the interests of stakeholders are protected.

All the members of the Audit Committee are financially literate and have accounting or financial management expertise.

#### a) Terms of Reference:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;



9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  21. Shall review the report on Compliances with Code of Conduct on quarterly basis.
  22. Shall review compliance with the Institutional Mechanism for Prevention of Insider Trading as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
  23. Reviewing the utilisation of loans and/or advances from / investments by the Company in its subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of the provisions.
- The Audit Committee shall also mandatorily review the following information:
1. Management discussion and analysis of financial condition and results of operations;
  2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  3. Internal audit reports relating to internal control weaknesses;
  4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
  5. Statement of deviations:
    - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) Annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

#### b) Composition, Meetings and Attendance

The Audit Committee meets atleast four (4) times in a year within a gap of One Hundred and Twenty days (120) between two (2) consecutive meetings. During FY 2022, the Audit Committee met four (4) times i.e., on April 29, 2021, July 22, 2021, October 20, 2021 and January 24, 2022. The Composition of the Audit Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the year	No. of meetings attended
1.	Mr. Vivek Narayan Gour	Chairman	Non-Executive Independent Director	4	4
2.	Mr. Rajesh Sawhney	Member	Non-Executive Independent Director	4	4
3.	Mr. Dhruv Prakash	Member	Non-Executive Director	4	4
4.	Ms. Elizabeth Lucy Chapman	Member	Non-Executive Independent Director	4	3

As per Regulation 18(1) of the Listing Regulations, Section 177 of the Act and the applicable Secretarial Standards, Mr. Vivek Narayan Gour, the Chairman of the Audit Committee was present at the last Annual General Meeting ('AGM') of the Company held on August 31, 2021, to answer shareholder queries.

#### 2. Nomination and Remuneration Committee

The Company has a duly constituted Nomination & Remuneration Committee ('NRC Committee'), in accordance with the requirements of Regulation 19 of the Listing Regulations and Section 178 of the Act. The terms of reference of NRC Committee includes the matters specified under Regulation 19 and Part D of Schedule II of the Listing Regulations and Section 178 of the Act, as amended from time to time and other matters referred by the Board. The primary role of the NRC Committee includes the formulation of the criteria for appointment/removal of Directors, Key Managerial Personnel and Senior Management including determining qualifications, positive attributes and independence of a Director, formulation of criteria for evaluation of performance of Directors, devising a policy on diversity of board, administration of Employees Stock Option Schemes of the Company, etc.

##### a) Terms of Reference:

The Board of Directors in their meeting held on April 28, 2022 modified the terms of reference of NRC Committee to align the same with the amendments in the Listing Regulations.

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis

##### b) Composition, Meetings and Attendance

The NRC Committee meets as frequently as circumstances necessitate with atleast one meeting in a year. During FY 2022, the NRC Committee met four (4) times i.e., on April 29, 2021, July 19, 2021, October 20, 2021 and January 08, 2022. The Composition of the NRC Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the year	No. of meetings attended
1.	Ms. Elizabeth Lucy Chapman	Chairperson	Non-Executive Independent Director	4	4
2.	Mr. Rajesh Sawhney	Member	Non-Executive Independent Director	4	4
3.	Mr. Dhruv Prakash	Member	Non-Executive Director	4	4

As per Regulation 19(3) of the Listing Regulations, Section 178(7) of the Act and the applicable Secretarial Standards, Ms. Elizabeth Lucy Chapman, Chairperson of NRC Committee was present, at the last AGM of the Company held on August 31, 2021, to answer shareholder queries.

of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates

3. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

4. Devising a Policy on diversity of Board of Directors;

5. Identify directors and persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

### c) Evaluation of the Board's Performance

Pursuant to the provisions of the Act, the Listing Regulations and Performance Evaluation Policy of the Company, the annual performance evaluation of the Board and its Committees was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues, etc. A separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as attendance, leadership initiative, contribution at the meetings and otherwise, independent judgment, strategic planning, professional skills, problem solving, decision-making, etc.

The evaluation of Directors was carried out by the entire Board, excluding the Director being evaluated. Both Nomination and Remuneration Committee and Board were satisfied with the evaluation process, which reflected the overall engagement of the Board and its Committees with the Company.

### 3. Stakeholders Relationship Committee

The Company has a duly constituted Stakeholders' Relationship Committee ('SRC Committee'), in accordance with the requirements of Regulation 20 of the Listing Regulations and Section 178 of the Act. The

terms of reference of the SRC Committee includes the matters specified under Regulation 20 and Part D of Schedule II of the Listing Regulations and Section 178 of the Act, as amended from time to time, and other matters referred by Board. The SRC Committee oversees various aspects of interest of security holders such as redressal of investor grievances, review of adherence to the service standards adopted for shareholder services, measures taken for reducing the quantum of unclaimed dividends etc.

#### a) Terms of Reference:

1. Resolving the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

#### b) Composition, Meetings and Attendance:

The SRC Committee meets as frequently as circumstances necessitate with atleast one meeting in a year. During FY 2022, the SRC Committee met four (4) times i.e., on April 15, 2021, July 14, 2021, October 20, 2021 and January 24, 2022. The Composition of the SRC Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the year	No. of meetings attended
1.	Mr. Vivek Narayan Gour	Chairman	Non-Executive Independent Director	4	4
2.	Mr. Brijesh Kumar Agrawal	Member	Executive Whole-time Director	4	4
3.	Mr. Dhruv Prakash	Member	Non-Executive Director	4	4

As per Section 178(7) of the Act read with Regulation 20 of the Listing Regulations and the applicable Secretarial Standards, Mr. Vivek Narayan Gour, the Chairman of the SRC Committee was present at the last AGM of the Company held on August 31, 2021, to answer shareholder queries.

### c) Compliance Officer

Mr. Manoj Bhargava, Senior Vice President (Legal & Secretarial), Company Secretary, has been designated as the Compliance Officer, as defined in the Listing Regulations.

### d) Investor Grievance Redressal

The details of investor complaint(s) received and resolved during FY 2022 are as follows:

Number of Complaints received	Number of Complaints resolved	Number of Complaints pending as on March 31, 2022
40	40	Nil

### 4. Corporate Social Responsibility Committee

The Company has a duly constituted Corporate Social Responsibility Committee ('CSR Committee') and its terms of reference, in accordance with the requirements of Section 135 of the Act and rules framed thereunder, as amended from time to time. The CSR Committee review and oversees the Sustainability and Corporate Social Responsibility initiatives of the Company.

#### a) Terms of Reference:

1. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken and its implementation by the Company as per Schedule VII of the Companies Act, 2013;

#### b) Composition, Meetings and Attendance

During FY 2022, the CSR Committee met two (2) times i.e., on April 29, 2021 and January 24, 2022. The Composition of the CSR Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the year	No. of meetings attended
1.	Mr. Vivek Narayan Gour	Member	Non-Executive Independent Director	2	2
2.	Mr. Brijesh Kumar Agrawal	Member	Executive Whole-time Director	2	2
3.	Ms. Elizabeth Lucy Chapman	Member	Non-Executive Independent Director	2	1

Note: The Company doesn't have a regular Chairperson for CSR Committee. However, in compliance with Regulation 21 of Listing Regulations, the Committee members in their meeting unanimously elects the Chairperson of the Meeting.

### 5. Investment and Finance Committee

The Company has constituted Investment and Finance Committee to explore options for strategic investments or acquisitions and giving/providing loans/investments/guarantee to its existing wholly owned subsidiaries etc and all other matters as may be referred by the Board from time to time.

#### a) Terms of Reference:

1. To review and approve potential investment in equity shares, preference shares, debentures, warrants or in any other securities whether debt based or otherwise;

2. Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy of the Company;
3. Formulation and recommend to the Board, Annual Action Plan in line with CSR Policy;
4. Ensuring compliance of CSR Policy & Rules;
5. Monitor the CSR Policy of the Company from time to time; and
6. Such other functions as may be delegated and/or assigned to it by the Board or on account of changes in statutory provisions, from time to time.

#### b) Composition, Meetings and Attendance

During FY 2022, the Investment and Finance Committee met seven (7) times, i.e., on April 15, 2021, August 03, 2021, October 29, 2021, December 21, 2021, January 24, 2022, February 21, 2022 and March 24, 2022. The Composition of the Investment and Finance Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the year	No. of meetings attended
1.	Mr. Dinesh Chandra Agarwal*	Member	Executive Managing Director & CEO	1	1
2.	Mr. Dhruv Prakash*	Member	Non-Executive Director	1	1
3.	Mr. Brijesh Kumar Agrawal	Member	Executive Whole-time Director	7	7
4.	Mr. Rajesh Sawhney	Member	Non-Executive Independent Director	6	6
5.	Mr. Vivek Narayan Gour	Member	Non-Executive Independent Director	6	5

\* Ceased to be member of the Committee w.e.f. April 29, 2021.

Note: The Company doesn't have a regular Chairperson for Investment and Finance Committee. However, the Committee members in their meeting unanimously elects the Chairperson of the Meeting.

## 6. Share Allotment Committee

The Company has constituted Share Allotment Committee to perform all the compliances related to allotment of shares by the Company.

### a) Composition, Meetings and Attendance

During FY 2022, the Share Allotment Committee met two (2) times i.e., on June 15, 2021 and August 17, 2021. The Composition of the Share Allotment Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the year	No. of meetings attended
1.	Mr. Dinesh Chandra Agarwal	Member	Executive Managing Director & CEO	2	2
2.	Mr. Brijesh Kumar Agrawal	Member	Executive Whole-time Director	2	1
3.	Mr. Dhruv Prakash	Member	Non-Executive Director	2	2

Note: The Company doesn't have a regular Chairperson for Share Allotment Committee. However, the Committee members in their meeting unanimously elects the Chairperson of the Meeting.

## 7. Risk Management Committee

The Company has a duly constituted Risk Management Committee, in accordance with the requirements of Regulation 21 of the Listing Regulations. The terms of reference of the Risk Management Committee includes the matters specified under Regulation 21 and Part D of Schedule II of the Listing Regulations, as amended from time to time, and other matters referred by the Board. The primary role of the Risk Management Committee includes identifying the risks impacting the Company's business and formulate the strategies aimed at risk minimisation and risk mitigation as a part of risk management.

(particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b. Measures for risk mitigation including systems and processes for internal control of identified risks.

c. Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

### a) Terms of Reference:

The Board of Directors in their meeting held on April 28, 2022 modified the terms of reference of Risk Management Committee to align the same with the amendments in Listing Regulations.

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability

### b) Composition, Meetings and Attendance

The Risk Management Committee shall meet atleast two (2) times in a year. During FY 2022, the Risk Management Committee met two (2) times i.e., on October 20, 2021 and March 24, 2022. The Composition of the Risk Management Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the year	No. of meetings attended
1.	Mr. Vivek Narayan Gour	Member	Non-Executive Independent Director	2	2
2.	Mr. Rajesh Sawhney	Member	Non- Executive Independent Director	2	2
3.	Mr. Dhruv Prakash	Member	Non-Executive Director	2	2
4.	Ms. Elizabeth Lucy Chapman	Member	Non-Executive Independent Director	2	1

Note: The Company doesn't have a regular Chairperson for Risk Management Committee. However, the Committee members in their meeting unanimously elects the Chairperson of the Meeting

## REMUNERATION OF DIRECTORS:

The Company has a well-defined Nomination and Remuneration Policy for Directors, Key Managerial Personnel ('KMP') and other Employees of the Company as formulated by Nomination and Remuneration Committee, pursuant to the provisions of Section 178 of the Act and Para A of Part D of Schedule II of the Listing Regulations. This Policy aims to ensure that the persons appointed as Directors, KMP, Senior Management Personnel possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration.

### a) Pecuniary Relationship of Non-Executive Directors:

Non-Executive Directors of the Company, other than Mr. Dhruv Prakash, has no pecuniary relationship or transaction with the Company, except for the payment of sitting fees paid to them for attending meetings of the Board and its Committees.

#### Details of Pecuniary Relationship of Mr. Dhruv Prakash, Non-Executive Director:

The Company has entered into a Service Agreement with Mr. Dhruv Prakash, for availing professional services including but not limited to a) Executive Coaching; b) Assessment and Development of Senior Management; c) Advice on Business Strategy and Management.

Subsequent to the listing of the Company on July 04, 2019, the members of the Company, at their Annual General Meeting held on September 25, 2019, approved the payment of professional fees to Mr. Dhruv Prakash, from the Financial Year 2019-20 onwards, on such terms

**Details of Remuneration:** The details of remuneration paid to Executive and Non-Executive Directors, during FY 2022 are as follows:

Name of the Director	Fixed Component/ Salary (₹)	Benefits (₹)	Sitting Fees (₹)	Performance Linked Incentive/ Commission (₹)	Total (₹)
Mr. Dinesh Chandra Agarwal	34,579,721	7,200	-	9,780,750	44,367,671
Mr. Brijesh Kumar Agrawal	24,983,637	-	-	7,144,200	32,127,837
Mr. Dhruv Prakash	-	-	990,000	-	990,000
Mr. Rajesh Sawhney	-	-	980,000	-	980,000
Ms. Elizabeth Lucy Chapman	-	-	845,000	-	845,000
Mr. Vivek Narayan Gour	-	-	730,000	-	730,000

Performance Linked Incentive is a part of the overall compensation structure of Executive Directors which is paid to them on an annual basis, based on their performance measured by their Balance Score Card for the previous financial year as approved by the Nomination and Remuneration Committee of the Company.

During FY 2022, the Company has not provided any other benefits such as bonus and pension neither granted any Employee Stock Options / Stock Appreciation Rights to any of its Directors. The Non- Executive Directors do not hold instruments convertible into equity shares of the Company.

and conditions as may be determined by the Board (including any Committee thereof), from time to time, in terms of the Regulation 17(6) of the Listing Regulations.

Further, the Audit Committee on January 21, 2020 approved the renewal of the Service Agreement of Mr. Dhruv Prakash for another tenure of three (3) years.

### b) Criteria of making Payment to Non-Executive Directors:

As per Nomination and Remuneration Policy of the Company, remuneration to Non-Executive Directors and Independent Directors is payable as per the following criteria:

- Remuneration/Commission:** The Remuneration/ Commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
- Sitting Fees:** The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board and its Committee(s) thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee.
- Commission:** Commission may be paid within the monetary limit approved by the members of the Company, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

The above criteria of making payment to Non-Executive Directors is also detailed in Nomination and Remuneration Policy of the Company which can be accessed at: <https://investor.indiamart.com/CorporateGovernance.aspx>.

Further, none of the Directors have taken any loans and/or received advances from the Company during the financial year under consideration.

#### Service Contracts, Notice Period, Severance Fees:

The tenure of Executive/Independent Directors of the Company is five (5) years. Mr. Brijesh Kumar Agrawal and Mr. Dhruv Prakash are the Directors who are liable to retire by rotation. Notice period shall be as per the terms of appointment of Director, while there are no service contracts or separate provision for payment of severance fees.



## GENERAL BODY MEETINGS

The General Body Meeting(s) of the Company were held in accordance with the requirements of the Act and the Listing Regulations. The details of last three (3) Annual General Meetings (AGMs) is mentioned below:

Financial Year	Date	Time	Venue	No. of Special Resolutions passed	Detail of Special Resolutions passed
2020-2021	August 31, 2021	11:00 A.M.	Deemed Venue: 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002 (Meeting held through VC/ OAVM facility)	0	None
2019-2020	August 31, 2020	4:00 P.M.	Deemed Venue: 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002 (Meeting held through VC/ OAVM facility)	3 (Three)	1. Re-appointment of Mr. Rajesh Sawhney (DIN: 01519511) as an Independent Director for a second term 2. Re-appointment of Ms. Elizabeth Lucy Chapman (DIN: 06459440) as an Independent Director for a second term 3. Alteration of Articles of Association of the Company
2018-2019	September 25, 2019	9:30 A.M.	The Executive Club Resort, 439, Kharak Road, Shahoorpur Extension, Sat Bari, New Delhi -110074	5 (Five)	1. Re-appointment of Managing Director & CEO 2. Re-appointment of Whole-time Director 3. Ratification of the IndiaMART Employee Stock Benefit Scheme – 2018 4. Ratification of the approval for Grants to the Employees of present and future Subsidiary (s) under IndiaMART Employee Stock Benefit Scheme – 2018 5. Variation in the terms of IndiaMART Employee Stock Benefit Scheme – 2018

### Extra-ordinary General Meeting

During FY 2022, no Extraordinary General Meeting of the members of the Company was convened.

### Postal Ballot:

During FY 2022, no Special Resolution was passed/proposed to be passed through postal ballot.

## MEANS OF COMMUNICATION

### A. Financial Results:

In accordance with the Listing Regulations, the quarterly/ half-yearly/annual results are usually published in leading business newspaper, namely, 'Mint' (English), newspaper having substantial circulation Pan-India and 'Hindustan' (Hindi), vernacular newspaper and can be accessed on the Company's website at <https://investor.indiamart.com/CorporateAnnouncements.aspx>. The quarterly/ half-yearly/annual results are also uploaded on NSE's Electronic Application Processing System (NEAPS) and BSE Listing Centre.

### B. News Releases and Presentations to institutional investors / analysts:

The Company hosts a quarterly earnings call after release of its quarterly/half-yearly/annual results along with discussion on the performance of the business which were well attended by the analysts and investors. This is followed by the question-and-answer session such that whosoever has a question for the management can raise it in the forum. Transcripts of the conference calls are also made available on the Company's website.

Official press releases and presentations are also made to institutional investors and financial analysts on the Company's quarterly, half-yearly as well as annual financial results. These press releases, presentations and schedule of analyst or institutional investors meet can be accessed on the Company's website at <https://investor.indiamart.com/CorporateAnnouncements.aspx> as well as submitted with the Stock Exchanges. No unpublished price sensitive information is discussed in the meeting / presentation with institutional investors and financial analysts.

### C. Website:

The Company's website contains a separate dedicated section on 'Investor Relations' that keep the investors updated on the key and material developments of the Company. It contains comprehensive database of information for the investors including the financial results, Annual Reports of the Company, any price sensitive information disclosed to the regulatory authorities from time to time, official news releases, presentations made to institutional investors or to the analyst, business activities and the services rendered / facilities extended by the Company to our investors, in a user-friendly manner. The basic information about the Company as required in terms of Listing Regulations is also provided on the Company's website and the same is updated regularly.

### D. NSE – Corporate Compliance and NSE's Electronic Application Processing System ('NEAPS'):

NEAPS is a web-based system designed by NSE for corporates. The shareholding pattern, corporate

governance report, corporate announcements, financial results, etc. are also filed electronically on NEAPS. Details of which can be accessed at [www.nseindia.com](http://www.nseindia.com). Further, in order to enhance customer experience and operational excellence, NSE has also launched the new Digital Portal for the submission of Corporate announcements and disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

### E. BSE Corporate Compliance and Listing Centre ('Listing Centre'):

The Listing Centre is web-based application designed by BSE for corporate. The shareholding pattern, corporate governance report, corporate announcements, financial

results, etc. are filed electronically on the Listing Centre. Details of which can be accessed at [www.bseindia.com](http://www.bseindia.com).

### F. Designated e-mail-ID for investor services:

The Company has designated e-mail-id: [cs@indiamart.com](mailto:cs@indiamart.com) exclusively for investors servicing.

### G. SEBI Complaints Redressal System ('SCORES'):

The investors' complaints are also being processed through the centralised web-based complaint redressal system. The salient features of SCORES are availability of centralised data base of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.

## GENERAL SHAREHOLDER INFORMATION

a) Date, Time and Venue of Annual General Meeting (AGM)	In view of the COVID-19 pandemic, the Company has not yet finalised the date, time and venue of 23rd AGM of the Company.		
b) Financial Year	April 01, 2021 to March 31, 2022		
c) Dividend Payment Date	Board of Directors of the Company in their meeting dated April 28, 2022 has recommended a final dividend of ₹ 2 Per Equity Share, i.e., 20% of the face value, subject to the approval of Shareholders at the 23rd AGM of the Company. The Company is yet to finalise the date of payment and record date for Dividend.		
d) Stock Exchanges	<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051  <b>BSE Limited (BSE)</b> Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 The Company has paid the listing fees for FY 2023 to NSE & BSE.		
e) Stock code	<b>NSE</b>	<b>BSE</b>	
	<b>Symbol</b>	INDIAMART	<b>Scrip Code</b>
	<b>ISIN No.</b>	INE933S01016	<b>ISIN No.</b>
			542726
f) Registrar and Share Transfer Agents (RTA)	<b>Link Intime India Private Limited</b> Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 <b>Email:</b> <a href="mailto:delhi@linkintime.co.in">delhi@linkintime.co.in</a> <b>Tel.:</b> +91-11-49411000		
g) Share Transfer System	Share Transfer System of the Company is computerized and Link Intime India Private Limited (LIPL) is the Company's Registrar and Share Transfer Agent (RTA) for equity shares (kept in physical as well as electronic mode). The requests, if any, for share transfer, transmission, sub-division, consolidation, renewal, re-mat, duplicate etc. are processed and share certificates duly endorsed / issued are dispatched within the prescribed time period, subject to documents being valid and complete in all respects.  In compliance with the Regulation 7(3) of the Listing Regulations, the Company submits a Compliance Certificate duly signed by the Compliance Officer of the Company and the authorised representative of the Share Transfer Agent, within one month of each half of the financial year, stating that all activities in relation to both physical and electronic share transfer facilities are maintained by the Company's Registrar and Share Transfer Agent (RTA) Link Intime India Private Limited.  Further, an yearly certificate of compliance, issued by it, with regard to the issuance of share certificates within 30 days of lodgement for transfer, sub-division, consolidation, renewal etc., is submitted to the stock exchanges pursuant to Regulation 40(9) & (10) of the Listing Regulations.		
h) Dematerialization of Shares and Liquidity	The Equity Shares of the Company are in compulsory dematerialized segment and are frequently traded on the National Stock Exchange of India Limited and BSE Limited. The Equity shares are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. The ISIN Number of Company on both the NSDL and CDSL is INE933S01016.  As on March 31, 2022, 3,05,64,574 Equity Shares of ₹ 10/- each out of 3,05,64,374 Equity Shares of the Company, forming 99.99% of Company's paid-up capital is held in the dematerialised form and 200 Equity Shares are held in a physical form.		

i) Commodity price risk or foreign exchange risk and hedging activities The Company is not engaged in commodity trading, hedging or exchange risk management activities.

k) Address for correspondence **Registered Office:**  
IndiaMART InterMESH Limited  
1<sup>st</sup> Floor, 29-Daryaganj, Netaji Subash Marg,  
New Delhi -110002  
Tel No.: +91-11-45608941  
Email id: [cs@indiamart.com](mailto:cs@indiamart.com);

**Corporate Office:**  
6<sup>th</sup> Floor, Tower 2,  
Assotech Business Cresterra,  
Plot No.22, Sec 135,  
Noida-201305, Uttar Pradesh,  
Tel No.: +91-9696969696  
Email id: [cs@indiamart.com](mailto:cs@indiamart.com);

**Investor Correspondence (RTA):**  
Link Intime India Private Limited  
Noble Heights, 1<sup>st</sup> Floor,  
Plot No NH-2, C-1 Block, LSC,  
Near Savitri Market, Janakpuri,  
New Delhi – 110058  
**Tel.:** +91-11-49411000  
**Email:** [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

l) Plant locations Not Applicable

m) List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad Not Applicable

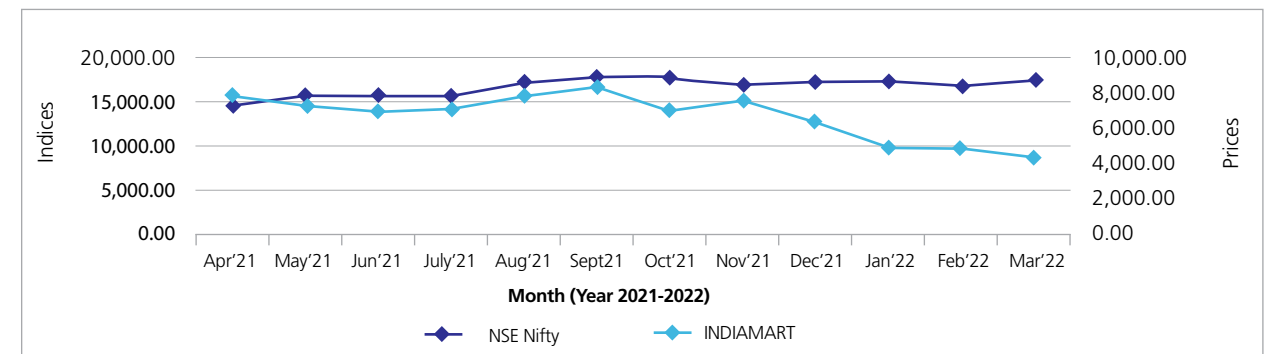
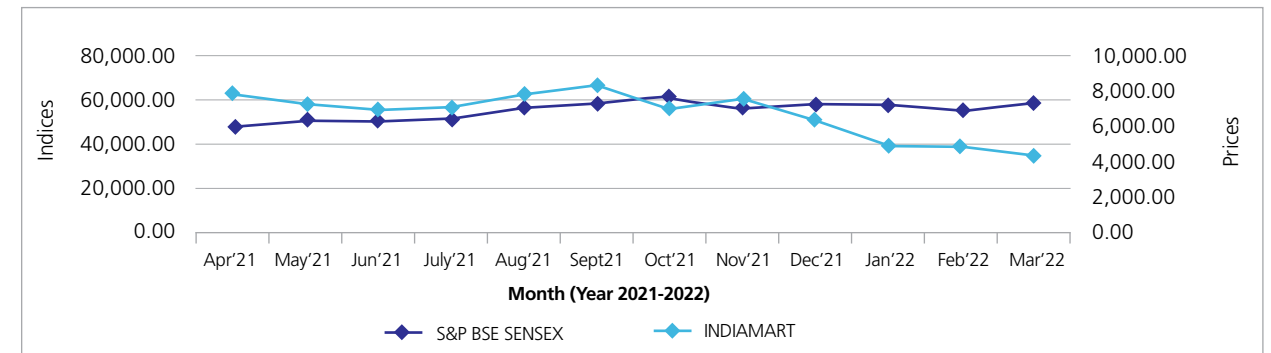
n) Outstanding GDRS/ ADRS/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity Not Applicable

o) **Market Price Data:** Monthly High and Low during each month of FY 2022 on BSE and NSE is mentioned below:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2021	8,927.00	7,521.50	8,924.90	7,660.00
May, 2021	7,949.00	6,648.10	7,939.40	6,650.05
June, 2021	7,431.55	6,802.00	7,419.45	6,779.20
July, 2021	7,495.20	6,954.30	7,498.00	6,950.00
August, 2021	7,999.00	6,996.00	7,999.00	6,992.00
September, 2021	9,270.00	7,585.00	9,270.00	7,580.00
October, 2021	9,700.00	6,875.00	9,710.70	6,872.90
November, 2021	7,925.20	6,978.60	7,928.80	6,976.15
December, 2021	7,488.65	6,292.75	7,496.40	6,290.00
January, 2022	6,902.00	4,350.00	6,907.00	4,301.10
February, 2022	5,379.90	4,551.20	5,382.00	4,555.00
March, 2022	4,879.75	3,965.35	4,880.00	3,960.00

(Source: Official website of BSE & NSE respectively)

p) **Performance of IndiaMART Share Price in comparison to broad based indices such as BSE Sensex and NSE-Nifty 50:**



q) **Distribution of shareholding as on March 31, 2022:**

No. of Equity Shares held	No. of Shareholders*	% of Shareholders	No. of Shares	% of Total Shareholding
1 - 500	215,018	99.62	2,570,852	8.41
501 - 1,000	348	0.16	243,212	0.80
1,001 - 2,000	143	0.07	198,016	0.65
2,001 - 3,000	65	0.03	161,464	0.53
3,001 - 4,000	26	0.01	90,516	0.30
4,001 - 5,000	26	0.01	116,944	0.38
5,001 - 10,000	70	0.03	524,025	1.71
10,001 and above	149	0.07	26,659,545	87.22
<b>Total</b>	<b>215,845</b>	<b>100.00</b>	<b>3,05,64,574</b>	<b>100.00</b>

\*No. of shareholders have not been clubbed on PAN basis.

Categories of shareholders as on March 31, 2022

Category	No. of shareholders	No. of shares held	Shareholding (%)
<b>A. PROMOTERS HOLDINGS</b>			
Indian Promoters	19	1,51,37,091	49.53
<b>B. NON- PROMOTERS HOLDINGS</b>			
a) Mutual Fund	17	13,66,312	4.47
b) Alternate Investment Funds	15	1,74,414	0.57
c) Foreign Companies	1	10,20,607	3.34
d) Foreign Portfolio Investors	169	73,16,878	23.94
e) Non-Resident (Repatriable & Non -repatriable)	3,436	1,56,415	0.51
f) Foreign Nationals	0	0	0.00
g) Other Bodies Corporates	666	2,97,877	0.97
h) Financial Institutions / Banks	2	3,522	0.01
i) Others (Individual, Clearing Members, HUF, Insurance Companies, Employee Welfare Trust/ESOP Trust, Foreign Nationals, Trust (Employees) etc.)	2,05,848	50,91,458	16.66
<b>Total</b>	<b>2,10,173</b>	<b>3,05,64,574</b>	<b>100.00</b>

## DEPOSITORY SERVICES

Members may write to the Company or to the respective Depositories for any guidance on depository services:

National Securities Depository Limited		Central Depository Services (India) Limited	
Trade World, 4 <sup>th</sup> Floor, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013		Phiroze Jeejeebhoy Towers, 28 <sup>th</sup> Floor, Dalal Street, Mumbai - 400 023	
Telephone	: 022 - 24972964-70	Telephone	: 022 - 2272 3333-3224
Fax	: 022 - 24972993	Fax	: 022 - 2272 3199
		022-24976351	

## OTHER DISCLOSURES

### a) Material Related Party Transactions

During FY 2022, there were no material related party transactions that may have potential conflict with the interests of the Company at large. i.e., transactions of the Company of material nature with its Promoters, the Directors, their relatives or the Management, subsidiaries, etc.

The Company has formulated and adopted a Policy on Dealing with Related Party Transactions ('RPT Policy') and the web-link for the policy is <https://investor.indiamart.com/CorporateGovernance.aspx>. Further, the Board of Directors in its meeting held on July 22, 2021 and April 28, 2022 modified the RPT policy of the Company to align the same with the amendments in Listing Regulations.

The Company has made requisite disclosure with respect to related party transaction in the significant accounting policies and note to accounts to the financial statements. Transactions with the related parties as per the requirements of Ind AS 24 are disclosed in Note No. 33 to the Standalone Financial Statements forming integral part of this Annual Report.

### b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three (3) years.

The Company is in full compliance with the matters related to capital market and there are no penalties imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three (3) years.

### c) Whistle-Blower Policy & establishment of vigil mechanism and affirmation that no personnel have been denied access to the Chairman of the Audit Committee.

Your Company has in place Whistle-Blower Policy ("the Policy") and has established the necessary vigil mechanism for Directors, Employees and stakeholders of the Company in confirmation with Section 177(9) of the Act and Regulation 22 of the Listing Regulations.

The Policy provides formal mechanism to its Directors / Employees / Stakeholders of the Company for reporting

any unethical behaviour, breach of any statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPSI), misuse of office, suspected / actual fraud and criminal offences.

The Policy enables the reporting of such concerns to the Ombudspersons and/or to the Chairman of the Audit Committee through specified channels. The framework of the Policy strives to foster responsible and secure whistle blowing. During FY 2022, no Director, employee or stakeholder of the Company has been denied access to the Chairman of the Audit Committee of the Board. The said policy can be accessed at Company's website at <https://investor.indiamart.com/CorporateGovernance.aspx>.

### d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

**Mandatory requirements:** The Company is fully compliant with the applicable mandatory requirements related to Corporate Governance as prescribed in the Listing Regulations.

**Adoption of Non-Mandatory requirements:** The Company has adopted following non-mandatory requirements of Regulation 27 and Regulation 34 of the Listing Regulations.

## DISCRETIONARY REQUIREMENTS

- The Board** – There is no designated Chairperson of the Company. The Non-Executive Directors are entitled to use Office Premises as and when required at the Company's expenses and also allowed reimbursement of expenses incurred in performance of their duties towards the Company.
- Shareholders Rights** – The quarterly, half-yearly and yearly audited results are published in the newspapers with adequate disclosures and investor presentation, press release, investor results call transcript and video recording are uploaded on the Company's Website for information and knowledge of the shareholders / public at large.

### 3. Modified opinion(s) in Audit Report – There are no audit qualifications for FY 2022.

### 4. Reporting of Internal Auditor – The Internal Auditor reports directly to the Audit Committee of the Board.

### 5. Financial Results – The Company adopted a practice of releasing audited financial results and financial statements every quarter.

### e) Web-links

All the requisite policies and Code of Conduct including the Policy of determining material subsidiaries is available on the Company's website which can be accessed at <https://investor.indiamart.com/CorporateGovernance.aspx>.

### f) Details of Utilization of funds raised through preferential allotment or qualified institutions placement ("QIP")

The Company allotted 12,42,212 equity shares through Qualified Institutional Placement (QIP) at an issue price of ₹ 8,615 per equity share (including a premium of ₹ 8,605 per equity share) aggregating to ₹ 10,701.66 million on February 22, 2021. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and Sections 42 and 62 of the Act, as amended, including the rules made thereunder. The proceeds of funds raised under Qualified Institutional Placement of the Company are utilised as per Objects of the Issue.

(₹ in Million)

Particulars	Amount
Gross Proceeds received from QIP	10,701.66
Less: Share issue Expenses	189.67
Net Proceeds received from QIP	10,511.99
Amount utilised for: Future growth and expansion and any other general purposes as may be permissible under the applicable law and approved by the Board.	3,954
Unutilised Amount	6,560.99

### g) Total fees paid to the Statutory Auditors

The details of fees paid by the Company and its subsidiaries to the Statutory Auditor and all entities in the network firm / network of entity which Statutory Auditor is a part, are as under:

S. No.	Particulars	Amount (In ₹ million)
1.	Statutory Audit Fee	5.71
2.	Other Services Fee	0.05
3.	Other Certification Fees	0.00
4.	Out-of-pocket reimbursement	0.00
5.	Qualified Institutional Placement Fees	0.00
<b>TOTAL</b>		<b>5.76</b>

### h) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013)

The details of the complaints received during the year under review are as follows:

S. No.	Particulars	No. of Complaints
1.	Complaints filed during the financial year	Nil
2.	Complaints disposed off during the financial year	Nil
3.	Complaints pending as on end of the financial year	Nil

### i) Details of 'Loans and advances in the nature of loans to firms/companies in which directors are interested:

During FY 2022, no loan or advances have been given to the firms/companies in which the directors of the Company are interested.

### j) Non-compliance of Corporate Governance

There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the Listing Regulations.

## CORPORATE GOVERNANCE COMPLIANCE

The Company complies with the Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations. Further, in compliance with Regulation 34 and Schedule V of Listing Regulations, a certificate from M/s. Sanjay Grover & Associates, Company Secretaries, confirming compliance with the conditions of the Corporate Governance has been attached as **Annexure – 3** forming an integral part of this report.

Particulars	Regulation	Compliance Status
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes



Particulars	Regulation	Compliance Status
Composition and Role of Risk Management Committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	NA
Composition of Board of Directors of unlisted material subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Disclosure on the website of the Company	46(2)	Yes

## CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('SEBI Insider Trading Regulations'), the Company has adopted a comprehensive Code of Conduct to regulate, monitor and report trading by Insiders for Prevention of Insider Trading for its Designated Persons, their immediate relatives and Insiders. The said Code of Conduct prohibit employees or any other person from dealing in the Equity Shares of the Company while they are in possession of price sensitive information.

The Company has also implemented a platform which provides an integrated solution/online platform for automation of Insider Trading Compliances. The digital tool helps the Designated Persons to manage, monitor, track and report their dealings in equity shares of the Company.

The Company also periodically circulates the educational e-mails on SEBI Insider Trading Regulations including Do's and Don'ts etc., to educate and sensitise the Designated

Employees of the Company. The Compliances with the SEBI Insider Trading Regulations are also being independently reviewed by the Secretarial Auditors of the Company.

During FY 2022, the Board modified the Code in its meeting held on October 21, 2021 with immediate effect to align the same with the amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015.

## DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any Demat Suspense / Unclaimed Suspense Account.

## TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Section 124 of the Act mandates the Company to transfer entire amount of dividend which has not been paid or claimed within thirty (30) days from the declaration date to an Unpaid Dividend Account and if, such amount remains unclaimed for a period of seven (07) years, then required to be transferred to IEPF.

As a measure to reduce the unclaimed dividend, efforts are being made on an ongoing basis to reach out to shareholders by sending reminders requesting them to submit necessary documents to enable them to claim their unpaid or unclaimed dividend.

Hence, the Company urges all the members to encash/ claim their respective dividend of previous years. The details of the unpaid/ unclaimed dividend lying with the Company are available on the website of the Company at <https://investor.indiamart.com/index.aspx>.

During FY 2022, the Company has not transferred any amount to IEPF which was outstanding for seven (07) consecutive years.

## CODE OF CONDUCT

The Board has approved and adopted a Code of Conduct for all Board Members and senior management of the Company, which is available on the Company's website at <https://investor.indiamart.com/CorporateGovernance.aspx>.

## CEO/CFO CERTIFICATION

In compliance with Regulation 17(8) of the Listing Regulations, a declaration by CEO and CFO was placed before the Board, certifying the accuracy of Financial Statements and the adequacy of internal controls pertaining to Financial Reporting for the year ended March 31, 2022.

On behalf of the Board  
For **IndiaMART InterMESH Limited**

Place: Noida  
Date: April 28, 2022

Sd/-  
**Brijesh Kumar Agrawal**  
(Whole Time Director)  
DIN: 00191760

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

## DECLARATION OF THE MANAGING DIRECTOR AND CEO

*Pursuant to Part D Of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

To  
The members of IndiaMART InterMESH Limited,

### Sub: Compliance with Code of Conduct

I, Dinesh Chandra Agarwal, Managing Director & Chief Executive Officer, hereby acknowledge that I have received and read the Code of Conduct & Ethics for Directors & Senior Management.

I do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct & Ethics for Directors & Senior Management during the financial year ended March 31, 2022.

Place: Noida  
Date: April 20, 2022

Sd/-  
**Dinesh Chandra Agarwal**  
Managing Director & CEO  
DIN: 00191800

## CEO & CFO CERTIFICATE

Pursuant to Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Board of Directors / Audit Committee  
IndiaMART InterMESH Limited

We, Mr. Dinesh Chandra Agarwal, Managing Director & CEO and Mr. Prateek Chandra, Chief Financial Officer, of IndiaMART InterMESH Limited, hereby certify that:

- We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2022 and that to the best of our knowledge and belief:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the auditors and the Audit committee:
  - significant changes in internal control over financial reporting during the year;
  - There are no significant changes in accounting policies during the year except adoption of IND AS 166, 'leases' and that the same has been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Noida  
Date: April 28, 2022

Sd/-  
**Dinesh Chandra Agarwal**  
(Managing Director & CEO)

Sd/-  
**Prateek Chandra**  
(Chief Financial Officer)

## Annexure - 4

## DETAILS OF REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

### A. Ratio of the remuneration of each Director to the Median remuneration of the employees of the Company and Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year:

Name of the Director / KMP	Remuneration of Director / KMP (in ₹)	% increase of remuneration in F.Y. 2022#	Ratio of Remuneration of each Director to median Remuneration of employee
<b>Executive Director</b>			
Mr. Dinesh Chandra Agarwal#	44,367,671	4.8	89
Mr. Brijesh Kumar Agrawal#	32,127,837	4.0	64
<b>Non-Executive Director</b>			
Mr. Dhruv Prakash*	990,000	191.18	2
Ms. Elizabeth Lucy Chapman*	845,000	212.96	1.7
Mr. Vivek Narayan Gour*	730,000	180.77	1.5
Mr. Rajesh Sawhney*	980,000	276.92	2
<b>Chief Financial Officer</b>			
Mr. Prateek Chandra^	21,423,796	6.6	43
<b>Company Secretary &amp; Compliance Officer</b>			
Mr. Manoj Bhargava^^	9,946,154	25.2	20

*Note:*

\* The steep increase in sitting fees of Non-Executive & Independent Directors is due to restoration of amount which was waived off in the previous FY 2021 on account of COVID-19 for attending the meeting of Committees of the Board.

# Based on Annualized Remuneration

^ The remuneration of Mr. Prateek Chandra excludes the perquisites value of ₹ 138,223,745 towards exercise of ESOP options / SAR units during FY 2022.

^^ The remuneration of Mr. Manoj Bhargava excludes the perquisites value of ₹ 19,216,925 towards exercise of ESOP options / SAR units during FY 2022.

### B. The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of employees of the Company was ₹ 500,016/- with an increase of 5.3% during the financial year.

### C. The number of permanent employees on the rolls of the Company:

As on March 31, 2022, the Company has 3,672 permanent employees on its rolls.

### D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the salaries of the employees other than the managerial personnel in FY 2022 was 17% while increase in Managerial remuneration was 15% on CTC revision in FY 2021.

It is hereby affirmed that the remuneration is as per Remuneration Policy of the Company.

On behalf of the Board  
For **IndiaMART InterMESH Limited**

Place: Noida  
Date: April 28, 2022

Sd/-  
**Brijesh Kumar Agrawal**  
(Whole Time Director)  
DIN: 00191760

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

## INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS ON MARCH 31, 2022

S. No.	Name of the Employees	Designation	Remuneration Paid (in INR million)	Educational Qualification	Date of Joining	Exp. (Yrs.)	Age Previous Employment (Yrs.)	Nature of Employment	% of Equity share of the Company
1.	Mr. Dinesh Gulati	Chief Operating Officer (COO)	182.83	Bachelor of Technology (Chemical Engineering), Post Graduate Program in Management	March 12, 2012	31	54	Indian Express Limited	Permanent 1.21
2.	Mr. Prateek Chandra	Chief Financial Officer (CFO)	159.65	Bachelor of Commerce, Chartered Accountant	February 16, 2015	21	41	Hindustan Times Media Limited	Permanent 0.34
3.	Mr. Parag Agarawal	Senior Vice President	83.97	Bachelor of Technology, Post Graduate Diploma in Business Management	April 16, 2018	19	44	Aakash Educational Services Private Limited	Permanent 0.01
4.	Mr. Vikram Varshney	Vice President	73.71	Bachelor Of Engineering (Electronics and Communication)	November 14, 2016	15	35	UrjaKart.com	Permanent 0.05
5.	Mr. Amarinder Singh Dhalliwal	Chief Product Officer (CPO)	71.74	Bachelor of Technology (Textile Technology), Post Graduate Diploma in Management	June 27, 2016	26	50	Micromax Informatics Ltd	Permanent 0.14
6.	Mr. Vikas Deep Verma	Senior Vice President	65.38	Bachelor of Engineering (Computer Technology), Master of Business Administration	May 02, 2017	18	43	Times Internet Ltd.	Permanent 0.02
7.	Mr. Sunil Parolia	Senior Vice President	65.08	Bachelor of Technology (Civil), Master of Engineering (Civil)	March 15, 2017	22	54	One97 Communications Limited	Permanent 0.05
8.	Mr. Vikas Aggarwal*	National Head	60.20	Bachelor of Engineering (Computer Technology), Post Graduate Diploma in Business Management	Since Incorporation	23	44	-	Permanent 0.45
9.	Mr. Sudhir Gupta	Senior Vice President	50.93	Bachelor of Commerce, Chartered Accountant	August 06, 2012	26	49	Videocon Tele-communications Ltd.	Permanent 0.06
10.	Mr. Dinesh Chandra Agarwal	Managing Director & Chief Executive Officer	44.37	Bachelor of Technology (Computer Science)	Since Incorporation	29	53	HCL Technologies (USA)	Permanent 28.24
11.	Mr. Puneet Gupta	Vice President	42.40	Bachelor of Commerce, Chartered Accountant	August 10, 2015	18	38	BT eServ (India) Pvt. Ltd.	Permanent 0.01
12.	Mr. Devendra Singh	Senior Vice President	40.53	Bachelor of Science	October 07, 2009	30	56	Monster.com India Pvt Ltd.	Permanent 0.09
13.	Mr. Vivek Agrawal	Chief Information Officer (CIO)	38.59	Bachelor of Technology, Post Graduate Program in Management	December 20, 2010	13	39	Creative Lipi	Permanent 0.01
14.	Mr. Abhishek Bhartia	Senior Vice President	34.76	Bachelor of Commerce, Master of Business Administration	Since incorporation	23	44	-	Permanent 0.32
15.	Mr. Amit Jain	Senior Vice President	34.49	Bachelor of Science, Post Graduate Diploma in Business Administration	March 10, 2000	22	42	-	Permanent 0.09
16.	Mr. Brijesh Kumar Agrawal	Whole - Time Director	32.13	Bachelor Business Management, Post Graduate Diploma in Business Management	Since Incorporation	24	45	Miebach Logistics Gmbh	Permanent 19.14
17.	Mr. Manoj Bhargava	Senior Vice President	29.16	Bachelor of Law, Bachelor of Commerce, Master of Law, Company Secretary	December 28, 2017	21	46	Varun Beverages Limited	Permanent 0.01
18.	Mr. Samarendra Pratap Singh	Vice President	23.91	Bachelor of Science, Master of Computer Application	July 04, 2011	18	42	Monster India Private Limited	Permanent 0.04
19.	Mr. Navendra Pratap Singh	Vice President	23.07	Bachelor of Technology	May 12, 2014	16	39	Impetus Infotech India Private Limited	Permanent 0.02
20.	Mr. Sandeep Garg	Vice President	19.10	Bachelor of Technology (Mechanical)	November 07, 2016	14	37	Green Brick Eco Solutions Private Limited	Permanent 0.00
21.	Mr. Jinny Ashok Achanti	Vice President	17.77	Bachelor of Commerce, Post Graduate Diploma in Business Administration	October 06, 2008	17	39	Ratti Trading LLC, UAE	Permanent 0.01
22.	Mr. Avijit Vikram	Vice President	17.72	Bachelor of Technology, Master of Business Administration	April 15, 2014	12	38	Yatra.com	Permanent 0.00
23.	Mr. Rahul Aggarwal	Vice President	17.47	Bachelor of Technology (Mechanical), Executive Post Graduate Programme in Management	July 17, 2018	13	36	At Kearney Limited	Permanent 0.00

S. No.	Name of the Employees	Designation	Remuneration Paid (in INR million)	Educational Qualification	Date of Joining	Exp. (Yrs.)	Age Previous Employment (Yrs.)	Nature of Employment	% of Equity share of the Company
24.	Mr. Anupam Munshi	Asst. Vice President	17.33	Chartered Accountant	June 23, 2015	16	39	Angel Broking	Permanent 0.00
25.	Mr. Raj Kamal Sharma	Vice President	17.16	Bachelor of Science, Post Graduate Diploma in Business Administration	March 01, 2017	31	41	Tolexo Online Private Limited	Permanent 0.04
26.	Mr. Pankaj Verma	Vice President	15.28	Bachelor of Commerce, Master of Business Administration	May 23, 2001	21	43	-	Permanent 0.06
27.	Mr. Deepak Gupta	Vice President	15.06	Bachelor of Commerce, Master of Business Administration	January 23, 2003	19	41	-	Permanent 0.13
28.	Mr. Rajan Bajpai	Vice President	14.45	Bachelor of Science, Post Graduate Diploma in Business Management	Since incorporation	23	47	-	Permanent 0.03
29.	Mr. Asif Ali	Vice President	14.38	Bachelor of Science, Post Graduate Diploma in Business Management	September 01, 2004	18	44	The Outlook Group	Permanent 0.01
30.	Mr. Ravi Shekhar Agrawal	Vice President	13.97	Bachelor of Computer Application, Master of Computer Application	August 09, 2004	18	41	-	Permanent 0.09
31.	Mr. Pradeep Chopra	Vice President	13.28	Bachelor of Science, Master of Business Administration	July 27, 2005	17	40	-	Permanent 0.03
32.	Mr. Saurabh Dubey	Regional Director	13.28	Bachelor of Engineering (Electronics and Communication), Post Graduate Program in Management	November 14, 2017	15	39	Exit10 Marketing Private Limited	Permanent 0.00
33.	Mr. Rahul Sharma	Vice President	12.94	Bachelor of Science (Information Technology)	November 13, 2006	15	39	-	Permanent 0.00
34.	Mr. Anugrah Agarwal	Asst. Vice President	12.86	Bachelor of Commerce, Master of Business Administration	May 30, 2011	18	42	Element 94	Permanent 0.00
35.	Ms. Aditi Chaturvedi	Asst. Vice President	12.48	Bachelor of Technology (Computer Science and Engineering)	May 30, 2016	12	34	Mymade	Permanent 0.00
36.	Ms. Deepti Gupta	Sr. Manager	11.08	Bachelor of Arts, Master of Arts	September 01, 2005	17	40	-	Permanent 0.01
37.	Mr. Dheeraj Jad	Asst. Vice President	10.93	Bachelor of Engineering (Information Technology)	January 27, 2005	17	41	-	Permanent 0.04
38.	Mr. Kishore Vasantha Kumar	Asst. Vice President	10.57	Bachelor of Commerce, Master of Business Administration	June 03, 2013	18	42	Dealsandyou.com	Permanent 0.00
39.	Mr. Madhup Agrawal	National Head	10.53	Bachelor of Technology (Computer Science), MTech - Systems and Management	November 01, 2004	31	52	Access Info Solutions India Private Limited	Permanent 1.72
40.	Ms. Amla Awasthi*	Vice President	7.81	Bachelor of Arts, Master of Arts (Psychology), Master of Arts (Personnel Management)	June 16, 2014	18	46	Naukri.com	Permanent 0.00

\*Employed for part of the financial year 2022.

Note:

- Remuneration includes the perquisite value towards exercise of ESOP options / SAR units during FY 2022.
- As per the provisions of the Act none of the employees are relatives of Directors and managers, except Mr. Dinesh Chandra Agarwal and Mr. Brijesh Kumar Agrawal, Directors of the Company.
- All the aforesaid employees are on the payroll of the Company.

On behalf of the Board  
For **IndiaMART InterMESH Limited**

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

Place: Noida  
Date: April 28, 2022  
Sd/-  
**Brijesh Kumar Agrawal**  
(Whole Time Director)  
DIN: 00191760



## Annexure - 6

## SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,  
The Members  
**IndiaMART InterMESH Limited**  
(CIN: L74899DL1999PLC101534)  
1<sup>st</sup> Floor, 29-Daryaganj, Netaji Subash Marg,  
New Delhi- 110002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IndiaMART InterMESH Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

### We report that:

- Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of the financial statements of the Company.
- Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- The auditor adhered to best professional standards and practices as could be possible while carrying out audit during the restrictions due to Covid-19. The Company made efforts to make available the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid restrictions.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- The Companies Act, 2013 ("the Act") and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;

- The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred as "PIT Regulations");
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations, 2018");
  - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 {Not applicable during the audit period};
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 {Not applicable during the audit period};
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {Not applicable during the audit period};
  - The Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015;
- The Company is primarily engaged in the business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers. As confirmed by the management, there is no sector specific law applicable on the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

**We further report that the** Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors took place during the audit period were carried out in compliance with the provisions of the act.

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

As per the minutes, the Board decisions are carried out with majority consent and, no dissenting views were required to be captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and to ensure compliance with applicable laws, rules, regulations and guidelines.

**For Sanjay Grover & Associates**

Company Secretaries  
Firm Registration No. P2001DE052900

Sd/-

**Devesh Kumar Vasisht**

Partner

CP No. 13700 / F8488

UDIN: F008488D000226024

New Delhi  
April 28, 2022

## Annexure - 7

## BUSINESS RESPONSIBILITY REPORT FY 2022

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L74899DL1999PLC101534
2	Name of the Company	INDIAMART INTERMESH LIMITED
3	Registered address	IndiaMART InterMESH Limited, 1 <sup>st</sup> Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002
4	Website	<a href="http://www.indiamart.com">www.indiamart.com</a>
5	E-mail id	<a href="mailto:cs@indiamart.com">cs@indiamart.com</a>
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code wise)	Information Services Activity NIC Code: 6311 (Sub-class: 63111)
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	a) Listings of businesses, products and services b) Search Service of businesses, products and services c) Advertisements on the Company platform
9	Total number of locations where business activity is undertaken by the Company:	
	(a) No. of National Locations	a) The Company has 38 (Thirty Eight) offices as on March 31, 2022 spread across India. For more details on Branch office locations and Channel Partner Offices, you may check <a href="https://corporate.indiamart.com/branch-offices/">https://corporate.indiamart.com/branch-offices/</a>
	(b) No. of International Locations	b) NA
10	Markets served by the Company - Local/State/National/International	National

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

S. No.	Particulars	Details as on March 31, 2022
1	Paid up Capital (₹)	305.64 millions
2	Total Turnover (₹)	8,586 millions
3	Total profit after taxes (₹)	3,098 millions
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2% of the average net profits of the Company made during the last three immediately preceding financial years. For further details, refer to <b>Annexure – 2</b> to the Board's Report.
5	List of activities in which expenditure in 4 above has been incurred:	The Company has focused its CSR initiatives primarily in the field of education and health. During the year, the contribution of 36.40 million (including 1.51 million set off for FY 2021) was made accounting for 2% of average net profits of preceding 3 years.  For detailed information relating to list of activities in which expenditure in 4 above has been incurred, please refer the Annual Report on CSR Activities annexed as <b>Annexure – 2</b> to the Boards' Report

### SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company / Companies?	Yes, the Company has the following Subsidiary Companies: a. Tolexo Online Private Limited b. Pay With Indiamart Private Limited c. Hello Trade Online Private Limited d. Tradezeal Online Private Limited
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	There is no direct participation by the Subsidiary Companies.
3	Do any other entity/entities (e.g., suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

### SECTION D: BR INFORMATION

#### 1. Details of Director / Directors responsible for BR

##### a) Details of the Director / Directors responsible for implementation of the BR policy / policies

DIN	Name	Designation
00191800	Mr. Dinesh Chandra Agarwal	Managing Director & Chief Executive Officer
00191760	Mr. Brijesh Kumar Agrawal	Whole-time Director
05124958	Mr. Dhruv Prakash	Non-Executive Director
06459440	Ms. Elizabeth Lucy Chapman	Non-Executive Independent Director
01519511	Mr. Rajesh Sawhney	Non-Executive Independent Director
00254383	Mr. Vivek Narayan Gour	Non-Executive Independent Director

##### b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN (if applicable)	NA
2.	Name	Mr. Prateek Chandra
3.	Designation	Chief Financial Officer
4.	Telephone number	+91-120-6777777
5.	e-mail id	<a href="mailto:cfo@indiamart.com">cfo@indiamart.com</a>

#### 2. Principle-wise (as per NVGs) BR Policy / policies

<b>Principle 1</b>	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
<b>Principle 2</b>	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
<b>Principle 3</b>	Businesses should promote the well-being of all employees.
<b>Principle 4</b>	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
<b>Principle 5</b>	Businesses should respect and promote human rights.
<b>Principle 6</b>	Businesses should respect, protect, and make efforts to restore the environment.
<b>Principle 7</b>	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
<b>Principle 8</b>	Businesses should support inclusive growth and equitable development.
<b>Principle 9</b>	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

##### a) Details of Compliance (Reply in Y/N)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Yes, the Company's policies are in line with respective principles of National Voluntary Guidelines on Social, Environmental and Economical Responsibilities of Business as issued by Ministry of Corporate Affairs, Government of India, in July 2011.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	All the policies are approved by the Board/Management Committee. All the policies are signed by the concerned Process Owner/Director.								
5	Does the company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	All Policies which are statutorily required to be placed on the Company's website can be accessed through the following link: <a href="https://investor.indiamart.com/CorporateGovernance.aspx">https://investor.indiamart.com/CorporateGovernance.aspx</a>								

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?									
8	Does the company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	<p>The Whistle Blower Mechanism as adopted by the Company renders its Employees, Customers, Vendors, Contractors, and other Stakeholders to report any concerns or grievances pertaining to any potential or actual violation of Company's Code of Conduct or any unethical behavior.</p> <p>The Company takes various measures to create awareness about the whistle-blower mechanism amongst the employees and other stakeholders including mailers, training programs, presentations, sessions, etc. to encourage any person to bring genuine, ethical and legal concerns, violations and suspected fraudulent behavior of which they are or become aware of, to an internal authority so that action can be taken immediately to resolve the problem.</p> <p>All the employees are educated about the whistle-blower mechanism as the Whistle-blower Policy of the Company is made available on the intranet and accessible to all its employees irrespective of their work location.</p> <p>Further, the Chairman of the Audit Committee has exclusive access to designated email ID viz. <a href="mailto:chairmanauditcommittee@indiamart.com">chairmanauditcommittee@indiamart.com</a>.</p> <p>Further, the Audit Committee reviews and monitors the proper functioning of whistle blower/vigil mechanism of the Company.</p> <p>Additionally, the Company has a proactive mechanism whereby the complaints and grievances can be registered by the users through following web-based form, email, 24X7 toll-free number, social media handles, etc.</p> <p>Through ongoing proactive grievance redressal mechanism and corrective steps undertaken, the Company endeavors to minimize grievances and complaints.</p>								
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	<p>While the Company has not carried out any specific independent audit of the policies, the Statutory, Internal and Secretarial Audit functions of the Company periodically looks at the implementation of these policies.</p> <p>The Audit Report on compliance by respective Departments of the Company is placed before the Board on quarterly basis for their review and consideration.</p> <p>To monitor the functioning of whistle-blower mechanism put in place, an independent Certificate from M/s. Sanjay Grover &amp; Associates, Secretarial Auditors of the Company was received. The same was presented to the Board of Directors for their consideration.</p>								

- b) The Company is not engaged in Business Activity which influences the public and regulatory policies; hence, the Company is not required to prepare any policy pertaining to Principle 7.

### 3. Governance related to BR

Sr. No.	Particulars	Details
a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company (Within 3 months, 3-6 months, annually, more than 1 year).	<p>The BR initiatives and BR performance as compiled in the BR Report, which forms part of Annual Report, is placed before the Board annually for its assessment and approval.</p> <p>The Executive Directors closely monitor the CSR activities undertaken by the Company. Periodic mailers of progress of individual projects are reported to them by the concerned team to ensure smooth flow of information.</p> <p>The progress report, including Impact Assessment of each individual project, for the entire year along with initiatives taken by the Company to enhance its scope and contribution towards BR are taken under consideration by the Board.</p>
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	<p>The Business Responsibility Report forms part of the Annual Report, post approval from the Board of Directors. The same is available for FY 2022 on the Company's website <a href="https://investor.indiamart.com/Annual_Report.aspx">https://investor.indiamart.com/Annual_Report.aspx</a>.</p>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	<p>The Company has in place the Policy relating to ethics, bribery titled as Code of Conduct, which guides its employees to conduct business in an ethical, responsible and transparent manner. It is a statement of its commitment to integrity and the highest standards of ethical practices which runs on the zero-tolerance principle. The Code is intended to serve as a charter to enable employees to make the right decisions by striking a balance in case of conflict of interest, it underlines the fundamental commitment to compliance with regulatory guidelines. Basic parameters of ethical and acceptable social behaviour are set forth to establish a system for detection and reporting of known or suspected ethical or regulatory violations.</p> <p>It includes employees of service provider/vendors. Further, a separate Code of Conduct for Board of Directors and Senior Management is also in place. Fair and just business dealings free from any extraneous consideration ought to be followed by all employees in their day-to-day work life.</p> <p>The Company strongly believes in ethical business practices which it follows in day-to-day business activities. The Company has a list of Marketplace Negative Industries/ Banned Keywords/ Reserved Keywords which refers to the business practices which are not allowed by the Company to be displayed on its platform.</p> <p>There are more than 8000 keywords which are restricted on the platform. The Company continuously keeps updating the restricted list with the help of AI enabled technology and machine learning tools.</p> <p>Further all internal &amp; external stakeholders are expected to work within the framework of the Code of the Company. The company has a code of conduct for its service providers to ensure responsible business practices across its value chain at the same time retaining high standards of customer service. By ensuring adherence to this Code of Conduct, the Company continuously seeks to render top-most quality of services to its suppliers and buyers.</p>
2. How many Stakeholders Complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.	<p>The Company has put in place mechanisms for receiving and dealing with regular grievance / complaints from different stakeholder's viz. investors, customers, employees, vendors, etc. There are dedicated resources to respond to the complaints within a time bound manner.</p> <p>The Company being in service industry does receive customer queries / feedback, from time to time, which are duly attended to and properly addressed to ensure customer satisfaction.</p> <p>For details of investor complaints, please refer to the Corporate Governance Report annexed as <b>Annexure – 3</b> to the Board Report.</p>

### Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities	<p>The Company is a responsible corporate citizen and aims to have negligible negative impact on the environment by identifying ways to optimise resource consumption in its operations, although the very nature of the businesses of the Company has limited impact on environment.</p> <p>Indiamart is a B2B marketplace platform wherein it offers the following services to its customers namely a) Listings of businesses, products and services; b) Verified buy-leads for the suppliers of products and services; c) Advertisements on the Company platform.</p> <p>The Company's business model gives an opportunity to each small, medium and large business section in different parts of the country, by providing them a powerful online platform to identify and meet the buyer and seller of the desired products and services using the digital offerings in an environment friendly manner.</p> <p>To facilitate online business growth of suppliers, the company regularly conducts online training programs via 'IndiaMART learning centres' which are coordinated by experts in the field. To enable customized and efficient product discovery for buyers' requirements, with priority given to responsive suppliers, the company utilized behavioural data-driven algorithms for buyers and suppliers.</p> <p>The below mentioned learning and training initiatives are taken by the Company:</p> <ul style="list-style-type: none"> <li>During onboarding, the seller team guides the suppliers in the smooth transition from offline to the online business model.</li> <li>Creating the Product / Brand Catalogue / Free Catalogue Page ('FCP') for all suppliers during onboarding.</li> <li>Rendering continuous assistance for managing the account.</li> <li>Handholding suppliers and educating them on the tactics to grow their business via our platform.</li> </ul>
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	<p>Creating easy to understand multi-lingual educational videos available on social media platforms where every supplier irrespective of being a free or paid member can learn how to use various features provided by the Company platform.</p> <p>Further, in accordance with the terms of use of the Indiamart website registered User(s) of the website agrees that they will not use the Email Account to publish, distribute, transmit or circulate any unsolicited advertising or promotional information. User(s) further represent, warrant and agree that any content, material or information submitted for display on the website or transmitted or sought to be transmitted through the Company's Services shall at no point be unlawful, obscene, defamatory, fraudulent, misleading or discriminatory.</p> <p>The Business model of Indiamart also helps in identifying business opportunities for SME, MSME and other unemployed youth of the Country leading to employability and social growth of the community at large. It also promotes self-dependence and self-reliance as insisted upon by the Government of India these days as a weapon to fight with atrocities caused by certain uncontrollable circumstances like COVID-19.</p> <p>For access by millions of users, the Company enabled a dedicated tab in respect of COVID-19 supplies enlisting all dire needs for ease of reference of buyers and suppliers visiting the platform. The idea being to facilitate discovery of products and services including diagnostic equipment, drugs and supplements, test kits, surgical gloves, masks or caps as well as hospital and medical aid furniture. Not just the final product but the unprocessed material for COVID-19 supplies including raw materials for sanitizers, disinfectants, masks, etc., were made available to aid the entire value chain.</p> <p>Innovative products like coronavirus intubation box, sneeze guard, car partition, no touch keys were made available on the platform to further immobilize the spread of virus. For catering immediate need and rendering accessibility to general public, reference links were made available on the Company's platform for spreading awareness and information via helpline numbers and government websites.</p> <p>Services of IndiaMART contribute positively to the national growth and that its digital services offer great opportunities for Small and Medium Enterprises ('SMEs') that form the backbone of the Indian Economy, through use of internet and telecom, to increase their sales and generate higher income.</p>
<p><b>2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):</b></p> <p><b>a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?</b></p> <p><b>b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</b></p>	<p>Though the Company's business model does not involve manufacturing of products, in order to cater to the increasing demands for sustainability from their users, the Company has made efforts to list eco-friendly and sustainable products on the platform, thereby fulfilling the needs of socially and environmentally conscious buyers.</p> <p>As a tech-enabled online platform company providing B2B services, the impacts on the environment are significantly lower than traditional businesses. Irrespective of this fact the company has identified the impacts and strive to be as sustainable a business as possible. In this regard, educating our employees about environmental impacts and calculating carbon emissions are some of the initiatives taken during FY 2022. Primarily our impacts arise by virtue of our infrastructure and operations. To understand the Company's response to deal with sustainability issues as well as initiatives taken in this regard, refer <b>Operational eco-efficiency</b> section of this Report.</p>
<p><b>3. Does the Company have procedures in place for sustainable sourcing, including transportation?</b></p> <p><b>a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.</b></p>	<p>The Company, being pure internet Company, is relatively less resource intensive in terms of material inputs. However, as a responsible corporate entity the Company endeavours to reduce the environmental impact of its operations.</p> <p>The Company strives to reduce impact on the environment and promote efficient consumption of resources such as Air Conditioning run time monitoring, Cloud Servers, installation of LEDs, CFL &amp; other low energy consuming office equipment, restricted printer and copier usage, etc. Further, during the year under review the environment impact of the Company was substantially reduced as the offices remained closed for the substantial part of the year, due to Covid 19 pandemic.</p> <p>The Company has its office premises located in a building which is IGBC LEED India core and shell rating system-Gold. The Data Centre provider also is green certified with 'Green Globes' a green building initiative; 'Energy Star' and the buildings are 'LEED' certified.</p> <p>Also, to promote the initiative of eco-conscious lifestyle and being mindful of its indirect environmental impact, the Company lists eco-friendly, renewable energy efficiency, substantiable and green products on its portal to address and be responsible towards global environmental issues. Offering a robust platform for free web presence of green products and enabling its reach across the country. The Company has made substantial investment in creation of categories and catalogues of sustainable products, manufactured using toxic-free ingredients and environmentally friendly procedures, which are designed to minimize environmental impacts and promote the adoption of an eco-conscious lifestyle.</p>

	<p>Additionally, our cloud-based ERP application, mobile extension and digital L&amp;D initiatives helped in quickly transforming all the processes and enabling the teams to work from the safety of their homes</p> <p>As part of the Company's operations, negligible e-waste is generated by the Company which is dealt with as per the requisite laws.</p>
<p><b>4. Has the Company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work?</b></p> <p><b>a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</b></p>	<p>The Business of the Company is service oriented and not material resource intensive. The Company engages with MSME's for availing various services including software solutions, consultancy, advisory and legal services. The human resources and other services required for our operations are generally sourced from within the local area to the extent feasible. The products and services offered by the Company are aimed at encouraging entrepreneurship, innovation, and capacity building among the society as well as to enable them to scale up their business operations. The Company provides opportunities to local vendors and make efforts to ensure that payment is made to them well within due time.</p> <p>Leveraging the digital platform, MSMEs and SMEs can get better visibility to build and grow their business nationwide. The Company continues to take concrete efforts to improvise the online marketplace to ensure a better, user friendly and reliable platform. Providing easy access to small and medium sized businesses of larger marketplace is how the Company continues to focus towards digital and financial inclusion for all.</p>
<p><b>5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as &lt;5%, 5-10%, &gt; 10%). Also, provide details thereof.</b></p>	<p>The nature of business that IndiaMART is in, the only significant source of waste is E-waste. The main category of waste, e-waste primarily arises from discarded electrical and electronic devices. To manage this, the Company undertakes safe disposal and facilitation of recycling of e-waste by handing over to certified recyclers. The company also Refurbishes its IT assets when possible.</p> <p>The dry waste at the Company primarily arises from paper usage. The company has been consistently focussing on reducing consumption of paper through extensive digitalization across the value chains and functions.</p> <p>As an activity of resourcefulness, the waste papers as generated in the offices are shredded and are further recycled for turning them into new paper products as a part of wastepaper recycling service.</p> <p>Our initiatives strive to meet sustainability goals of waste reduction and more efficient resource utilisation. Apart from ensuring that operations at the Company create least impact environment, the Company provides a channel for other Companies (Buyers) with access to environmentally and socially friendly products. Thus, indirectly helping Companies reduce their impact on the environment.</p>

#### Principle 3: Businesses should promote the well-being of all employees

<b>1. Please indicate the Total number of employees.</b>	3,672 employees
<b>2. Please indicate the Total number of employees hired on temporary / contractual / causal basis.</b>	1,197 employees
<b>3. Please indicate the number of permanent women employees.</b>	866 employees
<b>4. Please indicate the Number of permanent employees with disabilities</b>	None
<b>5. Do you have an employee association that is recognized by management</b>	No
<b>6. What percentage of your permanent employees is member of this recognised employee association?</b>	Not Applicable

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

The Company does not engage in any form of child labour / forced labour / involuntary labour and does not adopt any discriminatory employment practices. Company's hiring SOPs ensure no involvement of child labour, sexual harassment, abusive or offensive language, forced/bonded labour

The company has an established 'Policy on Prevention of Sexual Harassment of Women at Workplace' and is committed towards creating a safe and healthy work environment that enables all the employees to work without a fear of prejudice, gender bias and sexual harassment. The policy comprehensively covers all aspects of reporting, constitution of internal complaints committee, manner of enquiry, action during enquiry, enquiry report, protection to the victim, confidentiality and punishment including punishment in cases of false or malicious complaints.

Additionally, the company has also established a 'Woman Safety Policy' for its women employees including the visitors working late in the evening. Specific instructions are given to managers to plan work during official working hours and inform family members if working hours will be extended beyond office hours in the evening.

The Company made significant social impact through its Platform and Policies by creating a large number of Direct and Indirect employment opportunities.

The Company believes in rendering equal opportunities and does not discriminate in any aspects of employment including recruiting, hiring, promotion, demotion, transfer, termination, compensation, benefits and training. It operates in a diverse society, and understands that its customers, as well as its diverse talent pool, have varied characteristics and different experiences, needs, and aspirations. The company strives to provide a safe and healthy work environment to the employees, where everyone has the opportunity to reach their full potential and contribute to the Company's business success.

S. No.	Category	No. of Complaints filed during the financial year	No. of complaints pending at the end of the financial year
1	Child labour / forced labour / involuntary labour	0	0
2	Sexual Harassment	0	0
3	Discriminatory employment	0	0

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

The Company has institutionalized learning and development processes to create right proficiencies across levels and help employees progress in their career. The learning and development needs are recognized through various processes which include Company's vision and mission, competency frameworks and training needs identified through performance management system on regular basis.

The employees of the Company are acquainted with the below mentioned training programs for their requisite skill upgradation:

- All the new employees undergo mandatory induction training program '**Shubhaarambh**' where they understand about the Company and its Core Values i.e., Teamwork, Responsible, Integrity and Passion (TRIPS) amongst other things.
- The Company has in place On-Demand Tech Learning and various other Tech skill set building programs are organized for existing employees have been done using both internal & external experts on a regular basis. Training have been organized on GoLang, React & Node JS, Kibana, Cassandra NoSQL administration & Development, PostgreSQL Administration, GCM, AI & ML course, Excel Tips & Tricks, SPOC & SMC, CISSP, OWASP & Web Security etc.
- The Company has designed a process of connecting with new joiners, in their initial journey, through periodic **employee connects** that helps the employee to share their journey and feedback so far, which is in turn shared with their managers and relevant teams to be worked upon.
- For all new joiners the Company have **buddy up programs** to guide them and help them get acquainted with their job, role, team and company during the initial settling period.
- For providing exposure to employees for learning new skills as part of our well-planned **job rotation** that gives hands on experience to employees while working on the job.
- The Company aims to equip the new joiners with practical knowledge & skills required by them to excel in their roles and responsibilities through it's '**On the Job Training (IM SAKSHAM)**'. Employees go through this program for 3-8 weeks depending upon their business vertical. The objective of this program is to:
  - Gain in depth knowledge of products & processes;
  - Understand and implement their day-to-day responsibilities;
  - Learn best practices from the appointed buddies who act as their role models.

(g) The Company focusses on developing sales & service skills for the teams through its program '**Skill Builder**'. The sessions are delivered distantly for an hour on every alternate week.

(h) **IndiaMART Learning and Education Assist Program ('ILEAP')** is an initiative by the Company that offers a unique opportunity to employees to enhance their skills by enrolling in educational programs of their choice and getting the reimbursement of the same from the company on successful completion. The education programs can be of their current field of specialization or otherwise that adds value to their existing skills and knowledge, thereby enhancing their ability to perform in the current or future roles.

The Safety of employees is of utmost importance to the Company and in this regard mock drills are conducted in addition to periodic communication and alerts that are sent to employees on safety related aspects. Despite relaxation of Government restrictions in working from office, we encourage our employees to work from home as per there ease and convenience. This ensures enhanced employee trust and leads to economies of scale.

Further, on account of COVID-19 pandemic, in pursuance of the safety of teams ahead of our business priorities, the Company announced work from home of all departments and branches, grounded all field-based sales teams and ensured that BPO and Call centre partners also do not call the employees engaged on Company process to work. The lock-down also meant that the Company must re-train and re-deploy most of the employees on a different tasks/process. The primary focus of the Company during the pandemic was to shift the entire focus on cost optimization and home migration.

The Company was confident that its cloud-based ERP application, its mobile extension and digital L&D initiatives will help to quickly transform all the processes and enable the teams to work from the safety of their homes. To ensure enablement of the teams, the Company gave away approximately 2000 PCs and laptops to employees who needed them and launched a special scheme to provide financial aid to employees if they wished to purchase a new laptop. This action gave a tremendous boost to the productivity of employees while they worked from their homes

The hardships of lock-down, loss of sales incentives and the new role, together it started building up anxiety and uncertainty in the minds of the employees. To tackle this the Company's HR team started reaching out to each individual one on one over hangout and video chats, organised yoga sessions and other stress management sessions for the overall well-being of employees, interactive sessions and games were organised periodically, and took such other steps to connect with and encourage the employees.

The Company made significant social impact through its Platform and Policies by creating a large number of Direct and Indirect employment opportunities. The Company commenced the initiative of an **Online Associate Program ('OAP')** to provide work opportunities to individuals who are affected by the pandemic, homemakers, differently abled individuals and unemployed graduates.

<b>a) Permanent Employees</b>	2,930 employees (~80 of total employees)
<b>b) Permanent Women Employees</b>	710 employees (~82 of total women employees)
<b>c) Casual / Temporary / Contractual Employees</b>	1,197 employees (100% of casual/temporary/contractual employees)
<b>d) Employees with Disabilities</b>	Not Applicable

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

- Has the company mapped its internal and external stakeholders? Yes/ No** Yes
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.** The Company believes in treating all its stakeholders alike. Further, to recognize and uplift the vulnerable sections of the society, the Company has put in place a Corporate Social Responsibility Policy which guides it in identifying and helping the weaker/marginalized section of the society.  
  
The Company strives to render access of basic and specialized education to all the sectors operating in the ecology.

<p><b>3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof.</b></p>	<p>The Company carries out continuous interaction and engagement with all Internal &amp; External stakeholders including the disadvantaged, vulnerable and marginalized stakeholders by way of user feedback mechanism, customer support mechanisms, HR policies, CSR initiatives, shareholder's grievance mechanisms, etc. for inclusive and collaborative growth.</p> <p>During the COVID-19 pandemic the Company diligently acquired and distributed more than 200 Emergency Health Care Kits primarily to workers, housekeeping staff, security guards, drivers, washers, cleaners, etc. in the Delhi/NCR region worth around ₹ 10,15,840/- as an aim for rendering aid to the marginalized sections of society.</p> <p>With the view to instill inclusivity amongst masses, the Company pioneered in establishing an Online Associate Program and received an overwhelming response. Online / Freelance Associate Program is a program especially designed for Mothers, PWD (Persons with Disabilities) Candidates and those who lost their jobs as a result of the Covid – 19 pandemic. More than 900 associates were trained giving them a pathway to re-enter the workstream which included 665 women.</p> <p>For more details, please refer to the Annual Report on Corporate Social Responsibility Activities annexed as <b>Annexure – 2</b> to the Boards' Report.</p>
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#### Principle 5: Businesses should respect and promote human rights

<p><b>1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?</b></p>	<p>The Company is committed to uphold the dignity of every individual engaged or associated with the Company and eludes all kinds of discrimination.</p> <p>The Company strives to enable growth of all its stakeholders including buyers and suppliers. The aim is to establish a mechanism whereby buyers and suppliers are empowered to make swift transition from offline to online. It runs in the DNA of the Company's business model to empower small businesses ease their operational activities.</p> <p>The Employee Code of Conduct lays down the acceptable employee behavior on various aspects including human rights. All employees, with direct interface to customers, are trained to be polite and courteous to customers under all circumstances. This focus on human rights extends towards all its interactions with stakeholders with utmost importance placed on fairness and transparency. The Company also inculcates its Core Values i.e., Teamwork, Responsible, Integrity and Passion (TRIPS) in its employees as part of their induction training 'Shubhaarambh'.</p> <p>Policies on Human Rights, including the Code of Conduct of Employee, Prevention of Sexual Harassment, and the Whistle blower policies along with Company's other Policies cover all aspects on Human Rights for the Company and extend to all stakeholders of the Company.</p> <p>The company has a code of conduct for its service providers to ensure responsible business practices across its value chain at the same time retaining high standards of customer service. By ensuring adherence to this code of conduct the Company continuously seeks to render top-most quality of services to its suppliers and buyers. The service providers' code of conduct covers disclosure of conflict of interest, no anti-trust violations, prohibition of unlawful practices, etc.</p>
<p><b>2. How many stakeholders' complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</b></p>	<p>The Company has not received any complaint in respect of human rights violation or discrimination as on March 31, 2022.</p>

#### Principle 6: Businesses should respect, protect, and make efforts to restore the environment

<p><b>1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others</b></p>	<p>The Company understands that modern buyer is socially and environmentally conscious and companies need to band together to make the ecommerce experience more sustainable. The Company realizes the need for eco-friendly, environmentally aware ecommerce business that consumers want.</p> <p>Through the online platform the Company provides access for green and eco-friendly products. Any buyer through simple search and AI enabled matchmaking can purchase the products based on their needs and requirements. The Company intends to take steps to promote sustainable products.</p> <p>The Company has followed the GHG protocol methodology to calculate its carbon foot printing of Scope 1 and Scope 2. Because of inherent nature of e-commerce business, electricity consumed in the office premises forms the major portion of the emissions.</p> <p>The Company plans to take the following steps to become more energy efficient:</p> <ul style="list-style-type: none"> <li>Ensuring use of renewable energy on site or switching to renewable energy suppliers to the extent possible</li> <li>Renewable heat and cooling systems to replace fossil fuel heating.</li> <li>Improving energy efficiency of appliances like switching appliances off when not in use, better control over heating, LED lighting, insulation to reduce heat loss, etc.</li> </ul> <p>Although, the nature of the businesses of the Company has limited impact on environment; however, the Company complies with applicable environmental regulation in respect of premises and its operation.</p>
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<p><b>2. Does the Company have strategies / Initiatives to address global warming issues such as climate change, global warming, etc.? Yes/No. If yes, please give hyperlink for webpage etc.</b></p>	<p>The Company does not have any specific program to address such issues. However, the Company has taken following initiatives to address environmental issues as the Company believes in responsible growth:</p> <p>(a) The Company has taken steps to reduce its energy consumption and therefore has taken various initiatives in this regard such as replacement of convention lights to LED lights in the offices across all the locations, efficient uses of air conditioners, automatic servers and desktop shut down to reduce the energy consumption, e-wastage disposal mechanism, efficient use of printing papers, usage of video conferences to reduce emissions as a result of travel etc.</p> <p>(b) To promote the initiative of eco-conscious lifestyle and being mindful of its indirect environmental impact, the Company lists eco-friendly, renewable energy efficiency, substantiable and green products on its portal to address and be responsible towards global environmental issues.</p>
<p><b>3. Does the Company identify and assess potential environment risks? Yes/No</b></p>	<p>The nature of the business of the Company has limited impact on environment; however, the Company continuously aims to reduce even the limited impact on the environment by identifying ways to optimize resource consumption in its operations.</p> <p>The Company focuses on accelerating and scaling its business operations keeping in mind environmental sustainability by applying data, digital technologies and environmental solutions. The Company is committed to make a positive impact as a part of its ESG commitment. Sustainability is central to the purpose of the company and is embedded across the value chain. The Company's approach is holistic, covering societal development, responsible business, environmental sustainability and digital inclusion.</p> <p>The Company understands that modern buyer is socially and environmentally conscious and companies need to band together to make the ecommerce experience more sustainable. The Company realizes the need for eco-friendly, environmentally aware ecommerce business that consumers want.</p> <p>The Company recognizes the need of providing sustainable and environmentally friendly products to the buyer. Providing access and finding the right products is the way the Company plans to cater to needs of the socially and environmentally friendly buyers. The Company has an extensive role as it facilitates not just the discovery of ready-made product, but the raw materials to curate and create such eco-friendly outcome that leads to sustainable business practices.</p> <p>Further the Company complies with applicable environmental regulations, wherever applicable, in respect of its premises and operations.</p>
<p><b>4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if yes, whether any environmental compliance report is filed?</b></p>	<p>Not Applicable</p>
<p><b>5. Has the Company undertaken any initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.</b></p>	<p>Please refer paragraph 2 above</p>
<p><b>6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?</b></p>	<p>Not Applicable</p>
<p><b>7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.</b></p>	<p>There were no legal notices received during the year that remain outstanding as on March 31, 2022</p>

#### Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

<p><b>1. Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with.</b></p>	<p>Yes, our Company is a part of Internet and Mobile Association of India (IAMAI), The IndUS Entrepreneurs (TIE) and The Federation of Indian Chambers of Commerce and Industry (FICCI)</p>
<p><b>2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)</b></p>	<p>Not Applicable</p>



**Principle 8: Businesses should support inclusive growth and equitable development**

<b>1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.</b>	<p>The Company has specified the following policies in pursuit of Principle 8:</p> <p>(a) HR policy for inclusive growth of company's employees along with providing a framework for addressing employees grievances and ensuring their equitable treatment in the Company.</p> <p>(b) Weekly pay-out policy will ensure a consistent weekly flow of income for all employees working across all levels as frequent payouts will be appreciated by one and all across the organization and will contribute and promote inclusive growth of Company's employees.</p> <p>(c) Corporate Social Responsibility Policy that contributes to inclusive growth and equitable development of the society by focusing on Education &amp; Skill Development, Healthcare and Socio-Economic Development. Please find the link to the CSR Policy as updated on Company's website: <a href="https://corporate.indiamart.com/Social-Responsibility/">https://corporate.indiamart.com/Social-Responsibility/</a>.</p> <p>(d) Woman Safety Policy for its women employees including the visitors working late in the evening. Specific instructions are given to managers to plan work during official working hours and inform family members if working hours will be extended beyond office hours in the evening.</p> <p>To reckon with COVID-19, the company deployed its resources to support the marginalized sections of society. Kindly refer to <b>Annexure – 2</b> to the Board's Report for Information of CSR activities during the year under review and expenditure incurred on the same.</p>
<b>2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO/government structures / any other organisation?</b>	<p>The Company engages with NGOs / other Organizations, Trusts and Agencies to perform specific programs / projects to ensure that the Company achieves its vision of promoting inclusive growth.</p> <p>The Company strives to undertake its corporate social responsibility initiatives through Implementing agencies to ensure that multiple lives are touched, and the reach is multiplied.</p>
<b>3. Have you done any impact assessment of your initiative?</b>	<p>The Company periodically reviews the progress of its initiatives undertaken through is NGO partners and implementing agencies.</p> <p>To keep track of progress of the initiatives taken by third parties and monitor fund disbursement, quarterly utilization certificates are procured from the Agencies. This ensures transparency and fair conduct in the functioning of third parties involved.</p> <p>The certificates are further placed before Board of Directors for their consideration.</p>
<b>4. What is your company's direct contribution to community development projects- Amount in and the details of the projects undertaken?</b>	<p>The Company contributes to growth and equitable development by providing opportunities to small entrepreneurs, SMEs and MSMEs in rural areas by taking various focused initiatives and promoting online way of doing business. As part of its initiatives, the Company identifies certain areas and provides training to small entrepreneurs primarily for the purpose of increasing employability and potential revenue growth for small entrepreneurs and youth in such rural area. These training programs exposes them to possible opportunities to grow by using internet and technology.</p> <p>The Company commenced the initiative of an Online Associate Program ('OAP') to provide work opportunities to individuals who are affected by the pandemic, homemakers, differently abled individuals and unemployed graduates.</p> <p>During the current year, the Company has been one of the foremost companies to introduce weekly pay-out. This step has been taken to increase employee satisfaction, their overall financial wellbeing and to incentivize its workforce thereby promoting a more flexible and supportive work culture.</p> <p>Apart from spending regular expenses on training programs for small entrepreneurs, SMEs and MSMEs, the Company has spent ₹ 34.89 million towards various CSR initiatives during the year 2021-22. For detailed information relating to list of activities in which expenditure above has been incurred, please refer the Annual Report on CSR Activities annexed as <b>Annexure – 2</b> to the Board's Report.</p>

<b>5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain.</b>	<p>The Company's CSR initiatives are rolled in partnership with non-profit organizations which ensures successful implementation, monitoring and reporting of CSR Programs. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Company's Representatives track the reach and impact of its various initiatives and programs to ensure successful and beneficial implementation for the targeted community / people.</p> <p>Further, the CSR projects are evaluated by the CSR Committee to ensure maximum impact of their initiatives.</p>
<b>Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner</b>	
<b>1. What percentage of customer complaints / consumer cases are pending as on the end of financial year?</b>	<p>The Company has in place a clearly defined system for appropriate redressal of customer complaints. There are 57 (Fifty Seven) consumer cases going in consumer courts in different parts of the country.</p> <p>The legal team of the company is diligently looking after the movement of all these cases and taking necessary steps to understand and cater to the needs of its customers.</p>
<b>2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks</b>	Not Applicable
<b>3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof.</b>	There is no case against the Company, during last five years and pending as on end of financial year, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior.
<b>4. Did your company carry out any consumer survey / consumer satisfaction trends?</b>	The Company on a continuous basis measures satisfaction levels of customers. The Company has a feedback form on their respective website and other recognized portals, where a customer can freely give its feedback on the services being offered by the Company as a part of regular and periodic consumer survey.

On behalf of the Board  
For **IndiaMART InterMESH Limited**

Place: Noida  
Date: April 28, 2022

Sd/-  
**Brijesh Kumar Agrawal**  
(Whole Time Director)  
DIN: 00191760

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

## Annexure - 8

## INFORMATION REGARDING THE EMPLOYEES STOCK OPTION SCHEMES

PARTICULARS	ESOPs (Governed as per IndiaMART Employee Stock Option Scheme, 2015)	ESOPs (Governed as per IndiaMART Employee Stock Benefit Scheme, 2018)	SARs (Governed as per IndiaMART Employee Stock Benefit Scheme, 2018)
Employee Stock Options (ESOP) / Stock Appreciation Rights (SAR Units) outstanding at beginning of the year (April 1, 2021) (A)	13,923	-	427,788
ESOP/ SAR Units granted during the year (B)	-	45,490	77,370
<b>Sub-Total 1 (A+B)</b>	<b>13,923</b>	<b>45,490</b>	<b>505,158</b>
ESOP/ SAR Units Vested & Exercised (C)	13,923	-	212,850
ESOP/ SAR Units Lapsed/Forfeited (D)	-	440	15,050
ESOP/ SAR Units Expired	-	-	-
<b>Sub-Total 2 (C+D)</b>	<b>13,923</b>	<b>440</b>	<b>227,900</b>
<b>ESOP/ SAR Units outstanding at the end of year (Sub-total 1-2)</b>	<b>-</b>	<b>45,050</b>	<b>277,258</b>
ESOP/ SAR Units exercisable at the end of year (March 31, 2022)	-	-	-
Total number of shares arising as a result of exercise of ESOP/ SAR Units	27,846	-	208,850
Money realised by exercise of ESOP/ SAR Units (Amount in Rupees)	2,784,600	-	2,088,500

### OPTIONS / SAR VESTED:

During FY 2022, an aggregate of 13,923 ESOP options and 212,850 SAR units were vested to respective grantees covered under IndiaMART Employee Stock Option Scheme, 2015 ('ESOS, 2015') and IndiaMART Employee Stock Benefit Scheme, 2018 ('ESBS, 2018').

### VARIATION OF TERMS OF OPTIONS / SAR:

During FY 2022, there were no variation in ESOS, 2015 & ESBS, 2018.

### EXERCISE PRICE:

During FY 2022, ESOPs and SAR units were exercised under the ESOS, 2015 & ESBS, 2018 respectively at the following prices:

Particulars	ESOPs	SARs
Exercise Price (₹)	200	500
No. of Options / Units	13,923	212,850

### EMPLOYEE WISE DETAILS OF THE ESOP OPTIONS / SAR UNITS GRANTED DURING THE YEAR:

#### (i) Key Managerial Personnel:

NAME OF KEY MANAGERIAL PERSONNEL	ESOP	SAR
Mr. Dinesh Chandra Agarwal, Managing Director & CEO*	Nil	Nil
Mr. Brijesh Kumar Agrawal, Whole-time Director*	Nil	Nil
Mr. Prateek Chandra, Chief Financial Officer	4,220	Nil
Mr. Manoj Bhargava, Company Secretary & Compliance Officer	1,780	Nil

\* Managing Director & CEO and Whole-time Director, also being Promoters of the Company are not entitled to participate in the ESOP Scheme of the Company.

#### (ii) Any other employee who received a grant of options in any one year of option amounting to five percent or more of options granted during that year:

Sl. No.	Name of the Employee	Designation	No. of ESOPs option granted during the year
1	Mr. Prateek Chandra	Chief Financial Officer	4,220
2	Mr. Amarinder Singh Dhaliwal	Chief Product Officer	2,550

#### (iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (including outstanding warrants and conversions) of the Company at the time of grant - Nil

### Other Details of ESOP:

S. No.	Particulars	ESOP 2010	ESOP 2012	ESOP 2013	ESOP 2015	ESOP 2016	ESOP 2017	ESOP 2022*
1	Earnings Per share (EPS)				₹ 101.83			
2	Method of calculation of employee compensation cost			Black Scholes method				Refer Note
3	Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options)				Not Applicable			
4	The impact of this difference on profits and on EPS of the Company				Not Applicable			
5(a)	Weighted-average exercise prices of options whose exercise price i) either equals market price; or ii) exceeds market price; or iii) is less than the market price of the stock; or	Refer Note 28 of Standalone Financials Statements						Not Applicable
5(b)	Weighted fair values of options whose exercise price i) either equals market price; or ii) exceeds market price; or iii) is less than the market price of the stock	Refer Note 28 of Standalone Financials Statements						Not Applicable
6	Description of method & significant assumptions used during the year to estimate value of options including the following weighted-average information: i) risk-free interest rate; ii) expected life (in years); iii) expected volatility iv) expected dividend yield v) the price of the underlying share in the market at the time of option grant (In ₹)	Refer Note 28 of Standalone Financials Statements						Not Applicable
7	Impact on the profits and EPS if the Company had followed the accounting policies specified in Clause 13 of the SEBI ESOP Guidelines							Not Applicable

### Other Details of SAR:

S. No.	Particulars	SAR 2018	SAR 2021*	SAR 2022*
1	Earnings Per share (EPS)			₹ 101.83
2	Method of calculation of employee compensation cost	Black Scholes method		Refer Note
3	Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options)			Not Applicable
4	The impact of this difference on profits and on EPS of the Company			Not Applicable
5(a)	Weighted-average exercise prices of options whose exercise price i) either equals market price; or ii) exceeds market price; or iii) is less than the market price of the stock; or	Refer Note 28 of Standalone Financials Statements		Not Applicable
5(b)	Weighted fair values of options whose exercise price i) either equals market price; or ii) exceeds market price; or iii) is less than the market price of the stock	Refer Note 28 of Standalone Financials Statements		Not Applicable
6	Description of method & significant assumptions used during the year to estimate value of options including the following weighted-average information: i) risk-free interest rate; ii) expected life (in years); iii) expected volatility iv) expected dividend yield v) the price of the underlying share in the market at the time of units grant	Refer Note 28 of Standalone Financials Statements		Not Applicable
7	Impact on the profits and EPS if the Company had followed the accounting policies specified in Clause 13 of the SEBI ESOP Guidelines			Not Applicable

\*Note - ESOP 2022, SAR 2021 & SAR 2022 plan, the stock price as on the day prior to the grant date has been considered as the fair value.

On behalf of the Board  
For IndiaMART InterMESH Limited

Place: Noida  
Date: April 28, 2022

Sd/-  
Brijesh Kumar Agrawal  
(Whole Time Director)  
DIN: 00191760

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

## Annexure - 9

## DISCLOSURES TO BE MADE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

### A. CONSERVATION OF ENERGY

Though business operation of the Company is not energy-intensive, the Company, being a responsible corporate citizen, makes conscious efforts to reduce its energy consumption. The Company aims to have negligible negative impact on the environment by identifying ways to optimize resource consumption in its operations, although the very nature of the businesses of the Company, internet enabled online marketplace, has limited impact on environment. However, the Company complies with applicable environmental regulation in respect of premises and its operation.

Some of the initiatives undertaken by the Company on a continuous basis to address environmental issues and focus on a responsible and sustainable business growth including during the year under review, are listed below:

#### 1. Steps taken or impact on conservation of energy:

- Offering a robust platform for free web presence of green products and enabling its reach across the country. The Company has made substantial investment in creation of categories and catalogues ('VFCP') of sustainable products, manufactured using toxic-free ingredients and environmentally friendly procedures, which are designed to minimize environmental impacts and promote the adoption of an eco-conscious lifestyle.
- Our cloud-based ERP application, mobile extension and digital L&D initiatives helped in quickly transforming all the processes and enabling the teams to work from the safety of their homes.
- Rationalization of usage of electrical equipments - air conditioning system, office illumination, beverage dispensers, desktops.
- Regular monitoring of temperature inside the building and controlling the air-conditioning system.
- In addition to employing energy efficient technology and methods in our data centres, best business practices are employed when it comes to cloud computing service infrastructure. The Company's data centre operations provider is certified with 'Green Globes', a green building initiative; 'Energy Star' for energy efficiency and the buildings are 'LEED' certified.
- Planned Preventive Maintenance (PPM) schedule put in place for electro-mechanical equipments.
- Multiple initiatives are undertaken to educate employees about environmental impacts and drive environmentally sustainable business operations including:
  - Focus on paperless working in our offices;
  - Encouraging employees to turn off lights in unoccupied conference rooms and cabins for saving energy costs;
  - Work from home/ remote working leading to lesser electricity consumption;
  - Usage of energy efficient illumination fixtures by installing green products / LED lights in offices for reducing electricity;
  - Video conferencing leading to lesser travel;
  - Power factor rationalization;
  - Signage timings rationalization.

#### 2. Steps taken by the Company for utilising alternate source of energy:

The business operations of the Company are not energy-intensive, hence apart from steps mentioned above to conserve energy, the management would also explore feasible alternate sources of energy.

At present, we have a total capacity of 33.15 M<sup>3</sup> capacity of rainwater harvesting system and 390W powered solar streetlights in place.

Around 817 Micro Category Green Products are listed on our platform, thereby facilitating and promoting the usage of eco-friendly products.

### 3. The capital investment on energy conservation equipment:

There is no capital investment on energy conservation equipment during the year under review.

### B. TECHNOLOGY OF ABSORPTION

- Efforts made towards technology absorption: NIL
- Benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - the details of technology imported: NIL
  - the year of import: NIL
  - whether the technology been fully absorbed: NIL
  - if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NIL
- Expenditure incurred on Research and Development: NIL
 

Specific areas in which R&D carried out by the Company: The Company has not carried out R&D in any specific area.

  - Benefits derived as a result of above R&D: Not Applicable
  - Future plan of action: The management of the company has not yet decided to carry out any R&D.
  - Expenditure on R&D: Not applicable

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows, during financial year 2022 are as follow:

('Amount in INR Million')

Particulars	FY 2022	FY 2021
Earnings	76.81	78.32
Outgo	65.71	83.08
Net Foreign Earning (NFE)	11.10	(4.76)

On behalf of the Board  
For **IndiaMART InterMESH Limited**

Place: Noida  
Date: April 28, 2022

Sd/-  
**Brijesh Kumar Agrawal**  
(Whole Time Director)  
DIN: 00191760

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



## Annexure - 10

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**IndiaMART InterMESH Limited**  
(CIN: L74899DL1999PLC101534)  
1<sup>st</sup> Floor, 29-Daryaganj, Netaji  
Subash Marg, New Delhi-110002.

- That IndiaMART InterMESH Limited is having its registered office at 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.
- We have examined the relevant disclosures received from the Directors, registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN status at the portal, [www.mca.gov.in](http://www.mca.gov.in), as considered necessary and explanations furnished to us by the Company and its officers, we certify that none of the below named Directors on the Board of the Company as on March 31, 2022 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

S. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1.	Mr. Dinesh Chandra Agarwal	00191800	13/09/1999
2.	Mr. Brijesh Kumar Agrawal	00191760	13/09/1999
3.	Mr. Dhruv Prakash	05124958	28/10/2015
4.	Ms. Elizabeth Lucy Chapman	06459440	27/01/2015
5.	Mr. Rajesh Sawhney	01519511	27/01/2011
6.	Mr. Vivek Narayan Gour	00254383	30/04/2018

- Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

**For Sanjay Grover & Associates**  
Company Secretaries  
Firm Registration No. P2001DE052900

Sd/-  
**Devesh Kumar Vasisht**  
Partner  
CP No. 13700  
Membership No. F8488  
UDIN: F008488D000225971

New Delhi  
April 28, 2022

## Annexure - 11

## CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
**The Members**  
**IndiaMART InterMESH Limited**

We have examined the compliance of conditions of Corporate Governance by **IndiaMART InterMESH Limited** ("the Company"), for the financial year ended March 31, 2022 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sanjay Grover & Associates**  
Company Secretaries  
Firm Registration No. P2001DE052900

Sd/-  
**Devesh Kumar Vasisht**  
Partner  
CP No. 13700  
Membership No. F8488  
UDIN: F008488D000225980

New Delhi  
April 28, 2022

# Independent Auditor's Report

To the Members of IndiaMART InterMESH Limited

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the standalone financial statements of IndiaMART InterMESH Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income (loss)), standalone statement of changes in equity and standalone 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 (hereinafter referred to as "the standalone financial statements").

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 ("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 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### DESCRIPTION OF KEY AUDIT MATTER

#### Revenue Recognition See note 2.3(c) and 19 to the standalone financial statements

##### The key audit matter

The Company generates revenue primarily from web services and follows a prepaid model for its business.

Revenue from web services is recognised over the period of the contract as and when the Company satisfies performance obligations by actually rendering the promised services to its customers.

These services are delivered using IT systems which manage very high volume on daily basis and generate reports from which the Company recognises revenue, and hence there is inherent risk around the existence and accuracy of revenue recognition.

We have identified revenue recognition from web services as a key audit matter because of the significance of web service revenue to the financial statements and its recognition based on high volume of data generated by internal IT systems.

### 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 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 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- We assessed the appropriateness of the revenue recognition accounting policy and its compliance with applicable accounting standards.
- We evaluated the design and implementation of key internal financial controls and operating effectiveness of the relevant key controls with respect to existence and accuracy of revenue recognition on selected transactions.
- We, with the involvement of IT specialists, evaluated the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Company's IT systems which govern revenue recognition, including access controls, controls over program changes and interfaces between different systems.
- We selected a sample of transactions using statistical sampling and performed tests of details including reading the contract, identifying performance obligation and its link with actual rendition to assess whether the criteria for revenue recognition are met.
- We tested completeness and accuracy of web services revenue and collection from underlying relevant source documents generated by IT systems with accounting system.
- We assessed the adequacy of disclosures in the standalone 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 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 AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE 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 standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income (loss), 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 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 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 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 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. 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 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 standalone 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period 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. 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income (loss)), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to 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 Auditor's) Rules, 2014, 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 2022 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements.
  - 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, other than as disclosed in note 12(1) 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 note 12(1) 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) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

- (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.

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

**Kanika Kohli**  
Partner

Place: Gurugram  
Date: 28 April 2022  
Membership No. 511565  
ICAI UDIN: 22511565AHZNMZ1987



## Annexure A to the Independent Auditor's Report on Standalone Financial Statements

(Referred to in 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 once in every three years. In accordance with this programme, property, plant and equipment were verified during the financial year ended 31 March 2020. 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 material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease 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 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 a service company, primarily rendering e-marketplace services for business needs, which acts as an interactive hub for domestic and international buyers and suppliers. Accordingly, 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 made investments and granted unsecured loans to companies and other parties in respect of which the requisite information is as below. 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 not made any investments in firms and limited liability partnership.

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided a loan to one of its wholly owned subsidiaries as below:

Particulars	Amount (INR Million)
Aggregate amount during the year	
- Tradezeal Online Private Limited	286.50
Balance outstanding as at balance sheet date	
- Tradezeal Online Private Limited	-

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to parties other than subsidiaries as below:

Particulars	Amount (INR Million)
Aggregate amount during the year	
- Intercompany Deposits	437.03
- Other	33.81
Balance outstanding as at balance sheet date	
- Intercompany Deposits	417.35
- Other	31.07

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans provided during the year 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 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 of the Company, 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 investments made and loans given. The Company has not provided security and guarantees 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 Companies Act, 2013 for the services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) 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 have been subsumed into GST.

(a) 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 Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and 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 Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 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, 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 on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR Million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.96*	2009-10	High Court-Delhi
Income Tax Act, 1961	Income Tax	0.26*	2012-13	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	3.03*	2016-17	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	17.62	2019-20	Commissioner of Income Tax
Finance Act, 1994	Service Tax	6.78	2006-07 to 2011-12	CESTAT
Finance Act, 1994	Service Tax	1.30	2013-14 to 2015-16	Commissioner of GST& Central Excise
Finance Act, 1994	Service Tax	15.38	2013-14 to 2017-18	Commissioner of GST & Central Excise

\*Represents amount adjusted with brought forward losses/unabsorbed depreciation in the demand orders calculated basis the applicable tax rate of respective years.

(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) 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) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. 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.

In our opinion and according to the information and explanations given to us, the funds raised by way of private placement of shares during the previous year of INR 10,511.99 Million (net of related expenses of INR 189.67 Million) have been utilised for purposes for which such funds were raised. Out of these proceeds, the Company has utilized INR 3,954.17 Million as at March 31, 2022 towards purposes specified in the placement document. The remaining proceeds of INR 6,557.82 Million have temporarily been invested in liquid instruments.

(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) 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) 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) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone 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 no resignation of the statutory auditors 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 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. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

**Kanika Kohli**  
Partner

Place: Gurugram  
Date: 28 April 2022  
Membership No. 511565  
ICAI UDIN: 22511565AHZNMZ1987

## Annexure B to the Independent Auditor's report on the standalone financial statements of IndiaMART InterMESH Limited for the year ended 31 March 2022

### REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

(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 standalone financial statements of IndiaMART InterMESH Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone 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 standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2022, based on the internal financial controls with reference to 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 (the "Guidance Note").

#### MANAGEMENT'S RESPONSIBILITY 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 standalone 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 Companies Act, 2013 (hereinafter referred to as "the Act").

#### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 Act, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone financial statements were established and maintained and whether 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 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 with reference to standalone financial statements.

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to 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 controls with reference to standalone 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 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 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 standalone financial statements.

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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

**Kanika Kohli**

Partner

Place: Gurugram  
Date: 28 April 2022  
Membership No. 511565  
ICAI UDIN: 22511565AHZNMZ1987



# Standalone Balance Sheet

as at 31 March 2022

(Amount in ₹ million, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5A	30.27	21.53
Capital work in progress	5A	1.77	1.77
Right-of-use assets	5B	528.43	625.65
Intangible assets	6	1.63	2.74
Investment in subsidiaries and associates	7	2,691.22	313.95
<b>Financial assets</b>			
(i) Investments	8	1,768.65	190.49
(ii) Loans	8	0.74	2.37
(iii) Others financial assets	8	39.02	38.52
Non-current tax assets (net)	18	231.91	186.54
Other non-current assets	11	24.98	0.74
<b>Total Non-current assets</b>		<b>5,318.62</b>	<b>1,384.30</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	8	22,994.11	22,161.38
(ii) Trade receivables	9	13.26	12.46
(iii) Cash and cash equivalents	10	452.78	350.07
(iv) Bank balances other than (iii) above	10	272.77	376.02
(v) Loans	8	447.68	708.52
(vi) Others financial assets	8	106.86	70.12
Current tax assets (net)	18	-	54.85
Other current assets	11	43.52	37.72
<b>Total Current assets</b>		<b>24,330.98</b>	<b>23,771.14</b>
<b>Total assets</b>		<b>29,649.60</b>	<b>25,155.44</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	305.53	303.16
Other equity	13	18,615.88	15,863.28
<b>Total Equity</b>		<b>18,921.41</b>	<b>16,166.44</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	15	462.39	525.67
Contract liabilities	17	3,315.19	2,584.22
Provisions	16	226.12	273.33
Deferred tax liabilities (net)	26	156.42	207.20
<b>Total Non-current liabilities</b>		<b>4,160.12</b>	<b>3,590.42</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	15	100.41	108.57
(ii) Trade payables	14	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		182.96	153.84
(iii) Other financial liabilities	15	194.29	193.36
Contract liabilities	17	5,750.78	4,672.19
Other current liabilities	17	290.16	223.27
Provisions	16	49.47	47.35
<b>Total Current liabilities</b>		<b>6,568.07</b>	<b>5,398.58</b>
<b>Total Liabilities</b>		<b>10,728.19</b>	<b>8,989.00</b>
<b>Total Equity and Liabilities</b>		<b>29,649.60</b>	<b>25,155.44</b>
Summary of significant accounting policies	2		

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

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Standalone Statement of Profit and Loss

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>INCOME:</b>			
Revenue from operations	19	7,507.70	6,650.48
Other income	20	1,078.60	851.62
<b>Total income</b>		<b>8,586.30</b>	<b>7,502.10</b>
<b>EXPENSES:</b>			
Employee benefits expense	21	2,628.47	1,987.21
Finance costs	22	54.02	66.63
Depreciation and amortisation expense	23	119.01	158.65
Other expenses	24	1,758.31	1,329.91
<b>Total expenses</b>		<b>4,559.81</b>	<b>3,542.40</b>
<b>Profit before tax</b>		<b>4,026.49</b>	<b>3,959.70</b>
<b>Income tax expense</b>			
Current tax	26	980.47	635.25
Deferred tax	26	(52.22)	348.10
Tax expense related to change in tax rate and law	26	-	109.22
<b>Total tax expense</b>		<b>928.25</b>	<b>1,092.57</b>
<b>Net profit for the year</b>		<b>3,098.24</b>	<b>2,867.13</b>
<b>Other comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gain/(losses) on defined benefit plans		5.72	(24.44)
Income tax effect	26	(1.44)	6.15
		4.28	(18.29)
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>4.28</b>	<b>(18.29)</b>
<b>Total comprehensive income for the year</b>		<b>3,102.52</b>	<b>2,848.84</b>
<b>Earnings per equity share:</b>	25		
Basic earnings per equity share (INR) - face value of INR 10 each		101.83	98.53
Diluted earnings per equity share (INR) - face value of INR 10 each		100.81	96.92
Summary of significant accounting policies	2		

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

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Standalone Statement of changes in equity

for the year ended 31 March 2022

## (A) EQUITY SHARE CAPITAL (REFER NOTE 12)

(Amount in ₹ million, unless otherwise stated)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
<b>As at 1 April 2020</b>	<b>288.77</b>
Equity shares issued on Qualified Institutions Placement during the year (refer note 12(1))	12.42
Equity shares issued on exercise of ESOP during the year	0.67
Equity shares issued during the year to Indiamart Employee Benefit Trust (refer note 12(d))	1.35
Equity shares issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.05)
<b>As at 31 March 2021</b>	<b>303.16</b>
Equity shares issued on exercise of ESOP during the year (refer note 12)	0.28
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note 12(d))	1.73
Equity shares issued during the earlier year to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the year (refer note 12)	0.48
Equity shares issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.12)
<b>As at 31 March 2022</b>	<b>305.53</b>

## (B) OTHER EQUITY (REFER NOTE 13)

Particulars	Reserves and surplus				Total other equity
	Securities premium	General reserve	Employee share based payment reserve	Retained earnings	
<b>Balance as at 1 April 2020</b>	<b>4,753.90</b>	<b>8.45</b>	<b>95.97</b>	<b>(2,402.15)</b>	<b>2,456.17</b>
Profit for the year	-	-	-	2,867.13	2,867.13
Other comprehensive loss for the year	-	-	-	(18.29)	(18.29)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,848.84</b>	<b>2,848.84</b>
Issue of equity shares on exercise of share based awards during the year	57.30	-	(51.30)	-	6.00
Issue of equity shares on Qualified Institutions Placement during the year (refer note 12(1))	10,499.57	-	-	-	10,499.57
Employee share based payment expense (Refer Note 21)	-	-	52.70	-	52.70
<b>Balance as at 31 March 2021</b>	<b>15,310.77</b>	<b>8.45</b>	<b>97.37</b>	<b>446.69</b>	<b>15,863.28</b>
Profit for the year	-	-	-	3,098.24	3,098.24
Other comprehensive income for the year	-	-	-	4.28	4.28
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,102.52</b>	<b>3,102.52</b>
Issue of equity shares on exercise of share based awards during the year	72.46	-	(69.95)	-	2.51
Employee share based payment expense (Refer Note 21)	-	-	102.73	-	102.73
Final dividend paid (INR 15/- per share for financial year ended 31 March 2021)	-	-	-	(455.16)	(455.16)
<b>Balance as at 31 March 2022</b>	<b>15,383.23</b>	<b>8.45</b>	<b>130.15</b>	<b>3,094.05</b>	<b>18,615.88</b>

Profit of INR 4.28 Mns and loss of INR 18.29 Mns on remeasurement of defined employee benefit plans(net of tax) is recognised as a part of retained earnings for the year ended 31 March 2022 and 31 March 2021 respectively.

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

As per our report of even date

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Standalone Statement of Cash Flow

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>PROFIT BEFORE TAX</b>	4,026.49	3,959.70
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortisation expense	23 119.01	158.65
Interest, dividend and other income	20 (63.27)	(69.81)
Gain on de-recognition of Right-of-use assets	20 (1.76)	(10.02)
Gain/(loss) on investments carried at fair value through profit and loss	20	
-Fair value gain on measurement and income from sale of mutual funds, bonds, debentures, units of alternative investment funds and investment trust	(1,029.68)	(788.80)
-Fair value loss on Investment in debt instruments of subsidiaries	45.00	41.60
-Fair value gain on measurement of Investment in other entities	(7.72)	-
Gain on disposal of property, plant and equipment	20 (1.56)	(1.66)
Share-based payment expense	21 102.73	52.70
Finance costs	22 54.02	66.63
Loss on change of control of a subsidiary converted into an associate	24 -	0.05
Provisions and liabilities no longer required written back	20 (7.30)	(22.93)
	<b>3,235.96</b>	<b>3,386.11</b>
<b>Changes in:</b>		
Trade receivables	(0.80)	(1.46)
Other financial assets	(57.41)	(0.32)
Other assets	(6.30)	8.36
Other financial liabilities	0.95	(45.86)
Trade payables	29.12	(23.20)
Contract liabilities	1,809.57	421.20
Provisions and other liabilities	27.51	108.11
<b>Cash generated from operations</b>	<b>5,038.60</b>	<b>3,852.94</b>
Income tax paid (net)	(970.99)	(589.75)
<b>Net cash generated from operating activities</b>	<b>4,067.61</b>	<b>3,263.19</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	1.78	3.44
Purchase of property, plant and equipment, other intangible assets and capital advances	(44.15)	(0.22)
Purchase of current investments	(27,543.21)	(15,526.11)
Inter-corporate deposits placed with financial institutions	(437.03)	(701.91)
Redemption of inter-corporate deposits placed with financial institutions	721.60	-
Investment in subsidiaries, associates and other entities	(3,992.72)	(142.49)
Proceeds from sale of investments in subsidiaries	-	2.12
Loans given to subsidiaries	(286.50)	-
Loans given to subsidiaries, repaid	286.50	-
Proceeds from sale of current investments	27,623.64	2,811.03
Interest and dividend received	176.96	62.87
Refund of refundable security deposits for listing on stock exchange.	-	23.78
Investment in bank deposits (includes earmarked balances with bank) (having original maturity of more than three months)	(274.72)	(12.26)
Redemption of bank deposits	377.97	54.59
<b>Net cash used in investing activities</b>	<b>(3,389.88)</b>	<b>(13,425.16)</b>

# Standalone Statement of Cash Flow

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)			
	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of lease liabilities		(70.83)	(55.42)
Interest paid on lease liabilities		(54.02)	(66.63)
Payment of dividends		(455.05)	(14.91)
Proceeds from issue of equity shares on exercise of share based awards		4.88	7.97
Proceeds from issue of equity shares on Qualified Institutional Placement (refer note 12(1))		-	10,511.99
<b>Net cash (used in) generated from financing activities</b>		<b>(575.02)</b>	<b>10,383.00</b>
<b>Net increase in cash and cash equivalents</b>		<b>102.71</b>	<b>221.03</b>
Cash and cash equivalents at the beginning of the year	10	350.07	129.04
<b>Cash and cash equivalents at the end of the year</b>	<b>10</b>	<b>452.78</b>	<b>350.07</b>
Summary of significant accounting policies	2		

Refer Note 36 for amount spent during the years ended 31 March, 2022 and 2021 on construction / acquisition of any asset and other purposes relating to CSR activities.

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

As per our report of even date

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

## 1. CORPORATE INFORMATION

IndiaMART InterMesh Limited ("the Company") is a public company domiciled in India and was incorporated on 13 September 1999 under the provisions of the Companies Act applicable in India. The Company is an e-marketplace for business needs, which acts as an interactive hub for domestic and international buyers and suppliers. The registered office of the Company is located at 1<sup>st</sup> Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The standalone financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 28 April 2022.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance

The standalone financial statements for the year ended 31 March 2022 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 million as per the requirement of Schedule III, unless otherwise stated.

### 2.2 Basis of preparation

The standalone 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);
- share-based payments.
- net defined benefit (asset)/liability - Fair value of plan assets less present value of defined benefit obligations.

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

### 2.3 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 standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

#### 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 realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- A 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.

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

#### b) Fair value measurement

The Company measures financial instruments, such as Investment in optionally convertible preference shares (OCRPS), Investment in equity/preference instrument of other entities, investment in mutual funds, bonds, debentures, units of alternative investment funds and investment trust at fair value at each balance sheet date.



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

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 standalone 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 standalone 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.

The Company's management determines the policies and procedures for recurring fair value measurement, such as investment in Optionally Convertible Cumulative Redeemable Preference Instruments (OCRPS) and investment in equity/preference instruments of other entities measured at fair value.

External valuers are involved for valuation of significant assets, such as unquoted investments in OCRPS, and investment in equity/preference instruments of other entities. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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 the 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 29)

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

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

### Revenue from contracts with customers

The Company is primarily engaged in providing web 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.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

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

### Rendering of services

Revenue from web 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. Revenues from lead based services is recognised based on output method i.e. as and when leads are consumed by the customer or on the expiry of contract whichever is earlier. Activation revenue is amortised over the estimated customer relationship period.

Advertising revenue is derived from displaying web based banner ads and sale of online advertisements. Revenue from banner advertisement is recognised pro rata over the period of display of advertisement as per contract. Revenue from sale of online advertisements is recognised based on output method and the Company applies the practical expedient to recognize advertising revenue in the amount to which the Company has a right to invoice.

### Contract balances

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section m) Financial instruments.

#### 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 services to the customer, a contract liability is recognised. The company recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue and advances from customers in the balance sheet. The unaccrued amounts are not recognised as revenue till all related performance obligations are fulfilled. The company generally receives transaction price in advance for contracts with customers that run up for more than one year. The transaction price received in advance does not have any significant financing component as the difference between the promised consideration and the cash selling price of the service arises for reasons other than the provision of finance.

### Other income

#### Interest income

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

#### Dividends

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

## d) Property, plant and equipment

Capital work in progress and 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 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.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

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 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%
Vehicles	31.23%

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.

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 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.

## e) 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.

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.

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.

Unique telephone numbers are amortised on a written down value basis at 40% annually.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

Intangibles being Software acquired by the Company are amortised on a written down value basis at 40% annually.

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 capital work- in-progress.

## f) Leases (as lessee)

The Company's lease asset classes primarily consist of leases for buildings. 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 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.

Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were recognised in finance costs in the statement of profit or loss.

A ROU asset was depreciated over the useful life of the asset. However, if there was no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset was depreciated over the shorter of the estimated useful life of the asset and the lease term.

## g) Investment in subsidiaries and associates

The Company records the investment in equity instruments of subsidiaries and associate at cost less impairment loss, if any.



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

On disposal of investment in subsidiaries and associate, the difference between net disposal proceeds and the carrying amount is recognised in the Statement of profit and loss.

## h) 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 group 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 years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. 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 years, 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. For properties previously revalued the impairment is recognised in OCI up to the amount of any previous revaluation surplus recognised through OCI. 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

### 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 (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.

### 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.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

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 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.

**Sales/ value added taxes/ Service tax/ Goods and service tax (GST) paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of sales/ value added taxes/ 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.

## j) Provisions and contingent liabilities

### Provisions

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

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

### Contingent liabilities

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

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



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

## k) 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 other 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 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.

## l) Share-based payments

Employees of the Company also receive remuneration in the form of stock options (ESOP) and stock appreciation rights (SAR) as share based payment transactions under the Company's Employee Stock Option Plan and Employee Stock Benefit Scheme. Both of these are equity settled share based payment transactions.

The cost of equity settled transactions is determined based on the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled

# Notes to Standalone Financial Statements

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in employee benefits expense. The cumulative expense recognised for equity settled transaction at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## m) 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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

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. For more information on receivables, refer to Note 29.

## Debt instruments at FVTOCI

A 'debt instrument' is classified as at 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 other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Debt instrument at FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI 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 FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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 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:

- Financial assets that are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- 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 115

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.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

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 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 trade payables, security deposits 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



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are recognized in OCI. These gains/ loss 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.

## 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.

## 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.

## n) 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).

## o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. 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 year. The weighted average number of equity shares outstanding during the year 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.

## p) 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

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

or less, which are subject to an insignificant risk of change in value.

## q) Segment reporting

### Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's activities of providing e-marketplace services for businesses is considered to be a single business 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.

## r) Share capital

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

## s) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

## t) Recently issued accounting pronouncements

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1<sup>st</sup> April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Ind AS 16 Property, Plant and Equipment – For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in Statement Of Profit and Loss and considered as part of cost of PPE.
- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to

determine whether the contract is onerous or not) is included.

- Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The Company is currently evaluating the impact of these amendment on its standalone financial statements.

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of standalone 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 year, are described below. The Company has based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### a) Taxes

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



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

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

## b) Share based payment

The Company initially measures the cost of equity-settled transactions with employees using a Black-Scholes-Merton option pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share options and SAR units, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 28.

## c) Impairment of Non-financial assets

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

being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

## d) 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. Those mortality tables tend to change only at intervals 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 27.

## e) Fair value measurement of financial instruments

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. See Note 29 and 31 for further disclosures.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

## f) 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 year end.

## g) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the 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.

## 4. IMPACT OF COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone 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, impact on leases, impact on investment in subsidiaries and associates and investment in other entities. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 5A PROPERTY, PLANT AND EQUIPMENT

	Computers	Office equipment	Furniture and fixtures	Motor vehicles	Total Property, plant and equipment	Capital work in progress (refer note 1 below)
<b>Gross carrying amount</b>						
<b>As at 1 April 2020</b>	<b>116.92</b>	<b>50.52</b>	<b>5.71</b>	<b>3.81</b>	<b>176.96</b>	<b>1.77</b>
Additions for the year	-	0.22	-	-	0.22	-
Disposals for the year	(11.15)	(3.53)	(1.69)	-	(16.37)	-
<b>As at 31 March 2021</b>	<b>105.77</b>	<b>47.21</b>	<b>4.02</b>	<b>3.81</b>	<b>160.81</b>	<b>1.77</b>
Additions for the year	20.28	0.13	-	-	20.41	-
Disposals for the year	(17.70)	(0.55)	-	(0.02)	(18.27)	-
<b>As at 31 March 2022</b>	<b>108.35</b>	<b>46.79</b>	<b>4.02</b>	<b>3.79</b>	<b>162.95</b>	<b>1.77</b>
<b>Accumulated depreciation</b>						
<b>As at 1 April 2020</b>	<b>93.64</b>	<b>29.92</b>	<b>3.44</b>	<b>2.02</b>	<b>129.02</b>	<b>-</b>
Charge for the year	14.63	9.14	0.52	0.56	24.85	-
Disposals during the year	(11.00)	(2.59)	(1.00)	-	(14.59)	-
<b>As at 31 March 2021</b>	<b>97.27</b>	<b>36.47</b>	<b>2.96</b>	<b>2.58</b>	<b>139.28</b>	<b>-</b>
Charge for the year	5.91	4.85	0.30	0.38	11.44	-
Disposals during the year	(17.59)	(0.43)	-	(0.02)	(18.04)	-
<b>As at 31 March 2022</b>	<b>85.59</b>	<b>40.89</b>	<b>3.26</b>	<b>2.94</b>	<b>132.68</b>	<b>-</b>
<b>Net book value</b>						
<b>As at 1 April 2020</b>	<b>23.28</b>	<b>20.60</b>	<b>2.27</b>	<b>1.79</b>	<b>47.94</b>	<b>1.77</b>
<b>As at 31 March 2021</b>	<b>8.50</b>	<b>10.74</b>	<b>1.06</b>	<b>1.23</b>	<b>21.53</b>	<b>1.77</b>
<b>As at 31 March 2022</b>	<b>22.76</b>	<b>5.90</b>	<b>0.76</b>	<b>0.85</b>	<b>30.27</b>	<b>1.77</b>

### Notes:

1. Capital work in progress (CWIP)

The following table presents the ageing schedule for Capital-work-in progress:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
<b>As at 31 March 2022</b>					
Projects in Process	-	-	-	-	-
Projects temporarily suspended	-	-	-	1.77	1.77
<b>As at 31 March 2021</b>					
Projects in Process	-	-	-	-	-
Projects temporarily suspended	-	-	-	1.77	1.77

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

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 5B RIGHT-OF-USE ASSETS

	Leasehold land (Refer Note 1 below)	Buildings	Total
<b>Gross carrying amount</b>			
<b>As at 1 April 2020</b>	<b>37.12</b>	<b>929.83</b>	<b>966.95</b>
Additions for the year	-	26.82	26.82
Disposals for the year	-	(122.10)	(122.10)
<b>As at 31 March 2021</b>	<b>37.12</b>	<b>834.55</b>	<b>871.67</b>
Additions for the year	-	20.25	20.25
Disposals for the year	-	(20.20)	(20.20)
<b>As at 31 March 2022</b>	<b>37.12</b>	<b>834.60</b>	<b>871.72</b>
<b>Accumulated amortisation</b>			
<b>As at 1 April 2020</b>	<b>1.84</b>	<b>165.40</b>	<b>167.24</b>
Depreciation for the year	0.46	131.50	131.96
Disposals for the year	-	(53.18)	(53.18)
<b>As at 31 March 2021</b>	<b>2.30</b>	<b>243.72</b>	<b>246.02</b>
Depreciation for the year	0.46	106.00	106.46
Disposals for the year	-	(9.19)	(9.19)
<b>As at 31 March 2022</b>	<b>2.76</b>	<b>340.53</b>	<b>343.29</b>
<b>Net book value</b>			
<b>As at 1 April 2020</b>	<b>35.28</b>	<b>764.43</b>	<b>799.71</b>
<b>As at 31 March 2021</b>	<b>34.82</b>	<b>590.83</b>	<b>625.65</b>
<b>As at 31 March 2022</b>	<b>34.36</b>	<b>494.07</b>	<b>528.43</b>

### Notes:

- As per the terms of the lease arrangement, the Company was required to complete the construction of building within a defined time from the date of handing over the possession. The Company had obtained extension for construction of building on the leasehold land till 5 July 2021 and is in the process of obtaining further extension.
- The Company incurred INR 3.51 Million for the year ended 31 March 2022 (31 March 2021: INR 10.42 Million) respectively, towards expenses relating to short-term leases and leases of low-value assets.

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

	As at 31 March 2022	As at 31 March 2021
Within one year	131.90	132.22
Within one - two years	134.05	130.34
Within two - three years	122.47	130.63
Within three - five years	224.40	229.82
Above five years	122.01	238.29
<b>Total lease payments</b>	<b>734.83</b>	<b>861.30</b>

The reconciliation of lease liabilities is as follows:

	As at 31 March 2022	As at 31 March 2021
Opening balance	634.24	765.10
Additions	19.33	26.44
Amounts recognized in statement of profit and loss as interest expense	54.02	66.63
Payment of lease liabilities	(124.85)	(122.05)
Derecognition	(12.78)	(78.95)
Liabilities and provisions no longer required written back	(7.16)	(22.93)
<b>Balance as at period end (Refer Note 15)</b>	<b>562.80</b>	<b>634.24</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 6 INTANGIBLE ASSETS

	Software	Unique telephone numbers	Total
<b>Gross carrying amount</b>			
As at 31 March 2020	13.73	4.70	18.43
As at 31 March 2021	13.73	4.70	18.43
As at 1 April 2022	13.73	4.70	18.43
<b>Accumulated amortisation</b>			
As at 1 April 2020	9.75	4.10	13.85
Amortisation for the year	1.60	0.24	1.84
As at 31 March 2021	11.35	4.34	15.69
Amortisation for the year	0.96	0.15	1.11
As at 31 March 2022	12.31	4.49	16.80
<b>Net book value</b>			
As at 1 April 2020	3.98	0.60	4.58
As at 31 March 2021	2.38	0.36	2.74
As at 31 March 2022	1.42	0.21	1.63

## 7 INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Investment in subsidiaries - Unquoted</b>				
<b>Fully paid up - at cost</b>				
Equity shares of INR 10 each in Tradezeal Online Private Limited	110,000	1.10	110,000	1.10
Equity shares of INR 10 each in Tolexo Online Private Limited	7,001,800	70.02	7,001,800	70.02
Equity shares of INR 10 each in Pay With Indiamart Private Limited	100,000	1.00	100,000	1.00
Equity shares of INR 10 each in Hello Trade Online Private Limited	30,000	0.30	30,000	0.30
Compulsorily Convertible Debentures of INR 100 each in Tradezeal Online Private Limited (Refer Note 3 below)	7,200,000	720.00	-	-
		<b>792.42</b>		<b>72.42</b>
Less: Impairment allowance in value of investments		(71.42)		(71.42)
		<b>721.00</b>		<b>1.00</b>
<b>Investment in associates - Unquoted</b>				
<b>Fully paid up - at cost</b>				
Compulsory convertible preference shares of INR 100 each (at premium of INR 52,217.90 each) in Simply Vyapar Apps Private Limited	5,954	311.50	5,954	311.50
Equity shares of INR 10 each (at premium of INR 52,307.90 each) in Simply Vyapar Apps Private Limited	10	0.52	10	0.52
Add: Investment made during the year (Compulsory convertible preference shares of INR 100 each and premium of INR 2,90,261 each) (Refer Note 1 below)	1,809	525.26	-	-
Add: Investment made during the year (Equity shares of INR 10 each and premium of INR 2,03,242 each) (Refer Note 1 below)	444	90.24	-	-
		<b>927.52</b>		
Equity shares of INR 10 each in Ten Times Online Private Limited	18,701	0.93	18,701	0.93
Equity shares of INR 10 each (at premium of INR 1,274.15 each) in IB Monotaro Private Limited (Refer Note 2 below)	811,250	1,041.77	-	-
		<b>1,970.22</b>		<b>312.95</b>
<b>Total Investment in subsidiaries and associates</b>		<b>2,691.22</b>		<b>313.95</b>
<b>Aggregate carrying value of unquoted investments</b>		<b>2,691.22</b>		<b>313.95</b>
<b>Aggregate impairment in value of investments</b>		<b>71.42</b>		<b>71.42</b>

### Notes:

- During the year ended 31 March 2022, the Company has further invested INR 615.50 Million in Simply Vyapar Apps Private Limited thereby increasing the ownership to 27.00% on fully converted and diluted basis.
- During the year ended 31 March 2022, the Company has acquired 26.00% equity ownership on fully converted and diluted basis in IB Monotaro Private Limited at the aggregate consideration of INR 1,041.77 Million. Considering the percentage of ownership and board representation right of the company, this investments is classified as an associate.
- The instrument is classified as equity as it meets the 'fixed for fixed' evaluation criteria. Further, the interest on the instrument is payable at the discretion of Tradezeal Online Private Limited.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS

### i) Investments

	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
a) Investment in subsidiaries at FVTPL	137.50	90.50
b) Investment in other entities at FVTPL	1,631.15	99.99
	<b>1,768.65</b>	<b>190.49</b>
<b>Current</b>		
Investment in mutual funds at FVTPL	15,731.30	21,690.82
Investment in bonds and debentures at FVTPL	6,832.57	470.56
Invesments in Investment Trust- Quoted (measured at FVTPL)	327.63	-
Invesments in Alternative investment funds at FVTPL	102.61	-
	<b>22,994.11</b>	<b>22,161.38</b>

### Non-current investments

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>a) Investment in debt instruments of subsidiaries (fully paid-up)</b>				
<b>Unquoted (measured at FVTPL)</b>				
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each in Tolexo Online Private Limited (Refer note 1 below)	20,989,275		15,789,275	
Opening balance		13.71		33.04
Add: Investment made during the year		52.00		20.00
Less: Fair value loss recognised through profit and loss during the year		(45.00)		(39.33)
		20.71		13.71
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 90 each) in Tolexo Online Private Limited (Refer note 1 below)	1,298,050		1,298,050	
Opening balance		1.13		3.11
Less: Fair value loss recognised through profit and loss during the year		-		(1.98)
		1.13		1.13
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 40 each) in Tolexo Online Private Limited (Refer note 1 below)	189,000		189,000	
Opening balance		0.16		0.45
Less: Fair value loss recognised through profit and loss during the year		-		(0.29)
		0.16		0.16
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each in Tradezeal Online Private Limited (Refer note 1 below)	7,870,000		3,870,000	-
Opening balance		20.00		-
Add: Investment made during the year		40.00		20.00
		60.00		20.00
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 10 each) in Pay With Indiamart Private Limited (Refer note 1 below)	2,775,000		2,775,000	
Opening balance		55.50		53.00
Add: Investment made during the year		-		2.50
		55.50		55.50
		<b>137.50</b>		<b>90.50</b>



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS (Contd.)

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>b) Investment in other entities (fully paid up)</b>				
<b>Unquoted (measured at FVTPL)</b>				
Compulsory convertible preference shares of INR 1 each (at premium of INR 776 each) in Mobisy Technologies Private Limited	128,593	99.92	128,593	99.92
Equity shares of INR 1 each (at premium of INR 776 each) in Mobisy Technologies Private Limited	100	0.07	100	0.07
Add : Investment in Compulsory convertible preference shares of INR 837/- each during the year (Refer note 2 below)	119,474	100.00	-	-
Add : Investment in Equity shares of INR 1 each (at premium of INR 837 each) during the year (Refer note 2 below)	17,750	14.86	-	-
Fair value gain recognised through profit and loss during the year	-	7.72	-	-
Equity shares of INR 10 each (at premium of INR 87.21 each) of Mynd Solutions Private Limited (Refer Note 3 below)	3,336,489	324.34	-	-
Compulsory convertible preference shares of INR 10 each (at premium of INR 86306.32/- each) in Zimyo consulting Private Limited (Refer Note 4 below)	1,870	161.41	-	-
Equity shares of INR 10 each (at premium of INR 86306.32/- each) in Zimyo consulting Private Limited (Refer Note 4 below)	100	8.63	-	-
Compulsory convertible preference shares of INR 10 each (at premium of INR 67,420/- each) in Fleetx Technologies Private Limited (Refer Note 5 below)	10,323	696.08	-	-
Equity shares of INR 10 each (at premium of INR 57,315/- each) in Fleetx Technologies Private Limited (Refer Note 5 below)	3,805	218.12	-	-
		<b>1,631.15</b>		<b>99.99</b>
<b>Total non-current investments (a+b)</b>		<b>1,768.65</b>		<b>190.49</b>

### Notes:

- The company has invested in optionally convertible cumulative redeemable preference shares ('OCCRPS') of its subsidiaries. Based on the terms of OCCRPS, these have been classified as financial instruments in the nature of financial assets to be measured at fair value. Fair value of these instruments has been determined based on market multiples / replacement cost method / discounted cash flow valuation technique using cash flow projections and discount rate. Gain/loss on subsequent re-measurement is recognised through Statement of Profit and Loss.
- During the year ended 31 March 2022, the Company has further invested INR 114.86 Million in Mobisy Technologies Private Limited thereby increasing the equity ownership to 15.98% on fully converted and diluted basis. This investment has continued to be classified as "Investment at FVTPL" as per Ind-AS 109.
- During the year ended 31 March 2022, the Company has acquired 7.70% equity ownership on fully converted and diluted basis in Mynd Solutions Private Limited at the aggregate consideration of INR 324.34 Million. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.
- During the year ended 31 March 2022, the Company has acquired 10.00% interest on fully converted and diluted basis in Zimyo consulting Private Limited at the aggregate consideration of INR 170.04 Million. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.
- During the year ended 31 March 2022, the Company has acquired 16.53% interest on fully converted and diluted basis in Fleetx Technologies Private Limited at the aggregate consideration of INR 914.20 Million. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS (Contd.)

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Current investments</b>				
<b>Investment in mutual funds - Quoted (measured at FVTPL)</b>				
Aditya Birla Sun Life Short Term Fund-Growth-Regular Plan	-	-	2,599,874	95.06
Aditya Birla Sunlife short term fund-Growth-Direct Plan	5,765,040	233.71	21,181,794	814.54
Aditya Birla Sunlife Corporate Bond Fund -Growth-Regular Plan	6,508,526	587.00	6,508,526	559.11
Aditya Birla Sun Life Corporate Bond Fund-Growth-Direct plan	10,264,505	936.18	4,570,414	396.40
Aditya Birla Sun Life Money Manager Fund - Direct	-	-	3,498,589	1,004.69
Aditya Birla Sun Life Savings Fund - Direct Growth	-	-	2,764,954	1,180.18
Aditya Birla sun Life Overnight fund-Direct Growth	369,605	424.93	-	-
Axis Ultra Short Term Fund - Direct Growth	-	-	41,966,039	502.05
Bharat Bond ETF April-2023	400,000	467.94	400,000	446.50
Bharat Bond ETF April-2025	379,992	411.48	149,992	153.71
Edelweiss Arbitrage Fund Direct- Growth	43,664,568	719.74	-	-
Edelweiss NIFTY PSU Bond Plus SDL Index F 2026 DG	47,476,047	509.92	-	-
HDFC Short Term Debt Fund-Direct Growth Plan	5,205,920	136.49	17,712,429	441.87
HDFC Short Term Debt Fund - Regular Plan	693,662	17.82	8,380,984	205.90
HDFC Low Duration Fund - Regular Plan-Growth	-	-	3,797,410	170.92
HDFC Low Duration Fund-Direct Plan-Growth	24,968,530	1,243.14	12,035,204	572.57
HDFC Money Market Fund - Direct Growth	257,730	1,199.68	226,818	1,014.77
HDFC Ultra Short Term Fund - Direct Growth	100,961,709	1,253.22	100,961,709	1,205.42
ICICI Prudential Equity Arbitrage Fund-Direct Growth	37,337,769	1,093.64	-	-
ICICI Prudential Savings Fund- Direct Plan-Growth	3,829,683	1,676.30	2,552,260	1,071.15
ICICI Prudential Short Term Fund - Direct	14,101,249	719.80	20,802,151	1,011.38
ICICI Prudential Short Term Fund - Regular	393,503	18.80	3,606,276	165.40
ICICI Prudential Money Market Fund - Direct Growth	-	-	3,129,563	924.09
IDFC Low Duration Fund-Growth- Direct Plan	15,216,251	484.79	36,439,105	1,117.14
IDFC Bond Fund - Short Term Plan- Growth-Direct plan	7,006,559	343.30	8,167,105	382.73
IDFC Banking & PSU Debt Fund - Direct - Growth	-	-	34,010,628	664.58
IDFC Corporate Bond Fund - Direct - Growth Plan	-	-	7,922,353	120.96
IDFC Ultra Short Term Fund - Direct-Growth Plan	-	-	36,591,465	438.04
Kotak Corporate Bond Fund - DGP	198,665	622.39	328,929	981.73
Kotak Equity Arbitrage Fund-Direct Growth	42,749,473	1,353.83	-	-
Kotak Money Market Fund - Direct Growth	-	-	384,544	1,339.67
Kotak Savings Fund - Direct Growth	-	-	28,948,565	1,004.02
L&T Short Term Bond Fund-DGP	-	-	37,122,589	803.71
L&T Short Term Bond Fund - Regular Growth	-	-	20,066,239	418.18
Nippon India Floating Rate Fund Direct Growth	26,960,879	1,017.62	-	-
SBI Corporate Bond Fund - Direct - Growth Plan	-	-	7,021,759	85.77
SBI Magnum Ultra Short Duration Fund - Direct Growth	-	-	212,720	1,003.82
SBI ETF Nifty 50 - Direct	1,450,000	259.58	-	-

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS (Contd.)

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
SBI Savings Fund - Direct Growth	-	-	34,943,576	1,194.92
SBI Liquid Fund- Direct - Growth Plan	-	-	62,030	199.84
<b>Total</b>		<b>15,731.30</b>		<b>21,690.82</b>
<b>Investment in bonds and debentures- Quoted (measured at FVTPL)</b>				
Axis Bank Perpetual Bond	150	161.08	-	-
Bajaj Finance bond	200	201.02	-	-
Canara Bank perpetual bond	20	202.46	-	-
Export Import bank of India bond	200	200.14	-	-
HDFC Bank Perpetual Bond	400	432.94	350	381.87
HDFC 2023 Coupon Bond	650	661.72	-	-
India Infradebt fund NCD	100	100.72	-	-
ICICI Bank Perpetual Bond	-	-	80	88.69
IRFC Perpetual Bond	250	255.97	-	-
LIC Housing Finance Bond	500	515.77	-	-
NABARD Bond	1,150	1,159.17	-	-
Piramal Enterprise Debentures (Market linked)	180	187.79	-	-
PNB perpetual Bond	10	101.85	-	-
Power Grid Corporation of India Limited Bond	55	75.14	-	-
REC Bond	595	643.83	-	-
SBI Perpetual Bond	50	515.16	-	-
SBI Coupon Bond	500	508.15	-	-
Shriram Transport Debentures (Market linked)	100	107.81	-	-
SIDBI Bond	650	650.74	-	-
Union Bank Perpetual Bond	15	151.11	-	-
<b>Total</b>		<b>6,832.57</b>		<b>470.56</b>
<b>Invesments in Investment Trust- Quoted (measured at FVTPL)</b>				
Powergrid Infrastructure InvIT	2,446,824	327.63	-	-
		<b>327.63</b>		-
<b>Invesments in Alternative investment funds- Quoted (measured at FVTPL)</b>				
ICICI Prudential Long Short Fund – Series I	999,950	102.61	-	-
<b>Total</b>		<b>102.61</b>		-
<b>Aggregate book value of quoted investments</b>		<b>22,994.11</b>		<b>22,161.38</b>
<b>Aggregate market value of quoted investments</b>		<b>22,994.11</b>		<b>22,161.38</b>
<b>Aggregate carrying value of unquoted investments</b>		<b>1,768.65</b>		<b>190.50</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS (Contd.)

### ii) Loans (measured at amortised cost)

	As at 31 March 2022		As at 31 March 2021	
<b>Non current</b>				
Considered good- Unsecured				
Loans to employees**		0.74		2.37
		<b>0.74</b>		<b>2.37</b>
<b>Current</b>				
Considered good- Unsecured				
Inter-corporate deposits*				
-HDFC Limited	-		501.28	
-LIC Housing Finance Limited	417.35	417.35	200.63	701.91
Loans to employees**		30.33		6.61
		<b>447.68</b>		<b>708.52</b>

#### Notes:

\*\*Inter-corporate deposits placed with financial institutions yield fixed interest rate.

\*\*Represent interest free loans to employees, which are recoverable in maximum 24 monthly instalments.

### iii) Others (measured at amortised cost)

	As at 31 March 2022	As at 31 March 2021
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Security deposits	39.02	38.52
	<b>39.02</b>	<b>38.52</b>
<b>Current (unsecured, considered good unless stated otherwise)</b>		
Security deposits	3.25	3.18
Amount recoverable from payment gateway banks	103.61	66.94
	<b>106.86</b>	<b>70.12</b>

#### Notes:

Security deposits are non-interest bearing and are generally on term of 3 to 9 years.

## 9 TRADE RECEIVABLES

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured, considered good unless stated otherwise</b>		
Trade receivables	13.26	12.46
<b>Total</b>	<b>13.26</b>	<b>12.46</b>

#### 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.

Outstanding for following periods from date of provision of services	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>31 March 2022</b>						
<b>Undisputed, considered good</b>						
Trade receivables	13.26	-	-	-	-	13.26
<b>31 March 2021</b>						
<b>Undisputed, considered good</b>						
Trade receivables	11.60	0.71	0.01	0.14	-	12.46

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 10 CASH AND BANK BALANCES

### a) Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cheques on hand	207.87	142.52
Balance with bank		
- On current accounts	244.91	207.55
<b>Total Cash and cash equivalents</b>	<b>452.78</b>	<b>350.07</b>

#### Note:

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

### b) Bank balances other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
(i) Deposits with banks		
- remaining maturity upto twelve months	270.27	374.62
(ii) Earmarked balances with banks*	2.50	1.40
<b>Amount disclosed under current bank deposits</b>	<b>272.77</b>	<b>376.02</b>

\* Earmarked balances include unclaimed/unpaid dividends of INR 0.12 (31 March 2021: INR 0.06) and bank balance with Indiamart Employee Benefit Trust of INR 2.38 (31 March 2021: INR 1.34).

## 11 OTHER ASSETS

	As at 31 March 2022	As at 31 March 2021
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Capital advance	23.74	-
Prepaid expenses	1.24	0.74
<b>Total</b>	<b>24.98</b>	<b>0.74</b>

	As at 31 March 2022	As at 31 March 2021
<b>Current (unsecured, considered good unless stated otherwise)</b>		
Advances recoverable	13.06	14.71
Indirect taxes recoverable	9.34	5.25
Prepaid expenses	21.09	16.25
Others	0.03	1.51
<b>Total</b>	<b>43.52</b>	<b>37.72</b>

## 12 SHARE CAPITAL

Authorised equity share capital (INR 10 per share)	Number of shares	Amount
<b>As at 1 April 2020</b>	<b>30,000,000</b>	<b>300.00</b>
Increase during the year	69,442,460	694.42
<b>As at 31 March 2021</b>	<b>99,442,460</b>	<b>994.42</b>
<b>As at 31 March 2022</b>	<b>99,442,460</b>	<b>994.42</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 12 SHARE CAPITAL (Contd.)

Authorised 0.01% cumulative preference share capital (INR 328 per share)	Number of shares	Amount
<b>As at 1 April 2020</b>	<b>1,493,903</b>	<b>490.00</b>
Decrease during the year	(1,493,900)	(490.00)
<b>As at 31 March 2021</b>	<b>3</b>	<b>0.00</b>
<b>As at 31 March 2022</b>	<b>3</b>	<b>0.00</b>

Authorised 0.01% compulsorily convertible cumulative preference share capital (INR 100 per share)	Number of shares	Amount
<b>As at 1 April 2020</b>	<b>1,894,254</b>	<b>189.43</b>
Decrease during the year	(1,894,254)	(189.43)
<b>As at 31 March 2021</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2022</b>	<b>-</b>	<b>-</b>

Issued equity share capital (subscribed and fully paid up) (INR 10 per share)	Number of shares	Amount
<b>As at 1 April 2020</b>	<b>28,877,247</b>	<b>288.77</b>
Equity shares issued on exercise of ESOP during the year	66,696	0.67
Equity shares issued on qualified institutions placement during the year	1,242,212	12.42
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note (d) below)	135,000	1.35
Equity shares issued during the earlier period to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the period (refer note (d) below)	42,573	0.43
Equity shares issued during the period and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(47,434)	(0.48)
<b>As at 31 March 2021</b>	<b>30,316,294</b>	<b>303.16</b>
Equity shares issued on exercise of ESOP during the year	27,846	0.28
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note (d) below)	173,000	1.73
Equity shares issued during the earlier period to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the period (refer note (d) below)	47,434	0.48
Equity shares issued during the period and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(11,584)	(0.12)
<b>As at 31 March 2022</b>	<b>30,552,990</b>	<b>305.53</b>

#### Notes:

1 During the previous year ended 31 March 2021, the Company has raised money by the way of Qualified Institutions Placement ("QIP") and allotted 1,242,212 equity shares of face value INR 10 each to the eligible qualified institutional buyers (QIB) at a price of INR 8,615 per equity share (including a premium of INR 8,605 per equity share) aggregating to INR 10,701.66 Millions on 22 February 2021. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Expenses incurred in relation to QIP amounting to INR 189.67 Millions has been adjusted from Securities Premium Account which resulted into the QIP's net proceeds of INR 10,511.99 millions.

Out of these proceeds, the company has utilised till 31 March, 2022 INR 3,954.17 Millions (31 March, 2021 : Nil) towards purposes specified in the placement document from the date of QIP. The balance amount of QIP's net proceeds remain invested in liquid instruments. Out of the amount utilised during the year INR 773.45 Million has been utilised through Tradezeal Online Private limited, the wholly owned subsidiary of the company, details of the same are given below :

Investment made through Tradezeal Online Private Limited	As at 31 March 2022	As at 31 March 2021
Truckhall Private Limited	110.10	-
Shipway Technology Private Limited	182.00	-
Legistify Services Private Limited	87.90	-
Agillos E-Commerce Private Limited	260.00	-
Edgewise Technologies Private Limited	133.45	-
<b>Total</b>	<b>773.45</b>	<b>-</b>



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 12 SHARE CAPITAL (Contd.)

Other than as disclosed above, 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 lend or invest in party identified by or on behalf of the company (Ultimate Beneficiaries). The company has not received any funds from any party(s) (Funding Party) with the understanding that the company shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

	As at 31 March 2022		As at 31 March 2021	
	Number	% Holding	Number	% Holding
<b>Equity shares of INR 10 each fully paid</b>				
Dinesh Chandra Agarwal	8,630,747	28.24%	8,630,747	28.42%
Brijesh Kumar Agrawal	5,848,544	19.14%	5,848,544	19.26%

### Details of shareholding of promoters

Promoters	As at 31 March 2022		As at 31 March 2021		
	Number	% Holding	Number	% Holding	
Dinesh Chandra Agarwal	8,630,747	28.24	8,630,747	28.42	(0.18)
Brijesh Kumar Agrawal	5,848,544	19.14	5,848,544	19.26	(0.12)
<b>Promoter Group</b>					
Chetna Agarwal	155,200	0.51	155,200	0.51	-
Pankaj Agarwal	151,000	0.49	151,000	0.50	(0.01)
Anand Kumar Agrawal	70,000	0.23	70,000	0.23	-
Meena Agarwal	69,800	0.23	69,800	0.23	-
Dinesh Chandra Agarwal (HUF)	60,000	0.20	60,000	0.20	-
Naresh Chandra Agrawal	40,200	0.13	40,200	0.13	-
Prakash Chandra Agrawal	40,200	0.13	40,200	0.13	-
Gunjan Agarwal	20,000	0.07	20,000	0.07	-
Keshar Devi Agrawal	19,800	0.06	19,800	0.07	(0.01)
Vijay Jalan	10,000	0.03	10,000	0.03	-
Naresh Chandra Agrawal (HUF)	9,000	0.03	9,000	0.03	-
Anand Kumar Agrawal (HUF)	6,000	0.02	6,000	0.02	-
Prakash Chandra Agrawal (HUF)	6,000	0.02	6,000	0.02	-
Hamirwasia Business Trust	200	0.00	200	0.00	-
Hamirwasia Family Trust	200	0.00	200	0.00	-
Nanpara Business Trust	100	0.00	100	0.00	-
Nanpara Family Trust	100	0.00	100	0.00	-
<b>Total</b>	<b>15,137,091</b>	<b>49.53</b>	<b>15,137,091</b>	<b>49.85</b>	

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 12 SHARE CAPITAL (Contd.)

### c) Shares reserved for issue under options

Information relating to the Company's share based payment plans, including details of options and SAR units issued, exercised and lapsed during the financial year. Options and SAR units outstanding at the end of the reporting period, is set out in note 28.

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

	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Opening balance	47,434	0.48	42,573	0.43
Purchased during the year	173,000	1.73	135,000	1.35
Transfer to employees pursuant to SAR/ESOP exercised	(208,850)	(2.09)	(130,139)	(1.30)
<b>Closing Balance</b>	<b>11,584</b>	<b>0.12</b>	<b>47,434</b>	<b>0.48</b>

## 13 OTHER EQUITY

	As at 31 March 2022	As at 31 March 2021
Securities premium	15,383.23	15,310.77
General reserve	8.45	8.45
Employee share based payment reserve	130.15	97.37
Retained earnings	3,094.05	446.69
<b>Total other equity</b>	<b>18,615.88</b>	<b>15,863.28</b>

### Nature and purpose of reserves and surplus:

- Securities premium:** The Securities premium account is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.
- General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.
- Employee share based payment reserve:** The Employee share based payment reserve is used to recognise the compensation related to share based awards issued to employees under Company's Share based payment scheme.
- Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company, and re-measurement gains/losses on defined benefit plans.

## 14 TRADE PAYABLES

	As at 31 March 2022	As at 31 March 2021
Payable to micro, small and medium enterprises (Refer Note 38)	-	-
Other trade payables		
- Outstanding dues to related parties (Refer Note 33)	-	0.15
- Outstanding dues to others	3.80	4.57
- Accrued expenses	179.16	149.12
<b>Total</b>	<b>182.96</b>	<b>153.84</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 14 TRADE PAYABLES (Contd.)

Outstanding for following years from due date of payment / transaction	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>31 March 2022</b>					
(i) MSME*	-	-	-	-	-
(ii) Others	1.30	1.26	-	1.24	3.80
Accrued expenses					179.16
					<b>182.96</b>
<b>31 March 2021</b>					
(i) MSME*	-	-	-	-	-
(ii) Others	1.83	1.66	-	1.23	4.72
Accrued expenses					149.12
					<b>153.84</b>

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

## 15 LEASE AND OTHER FINANCIAL LIABILITIES

	As at 31 March 2022	As at 31 March 2021
<b>Lease liabilities (Refer Note 5B)</b>		
Current	100.41	108.57
Non current	462.39	525.67
<b>Total</b>	<b>562.80</b>	<b>634.24</b>
<b>Other financial liabilities</b>		
<b>Current</b>		
Payable to employees	185.74	193.16
Security deposits	-	0.14
Other payable*	8.55	0.06
<b>Total</b>	<b>194.29</b>	<b>193.36</b>

\*Includes unclaimed/Unpaid dividend of INR 0.12 (31 March 2021: INR 0.06) remaining to be paid to shareholders.

## 16 PROVISIONS

	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
Provision for employee benefits*		
Provision for gratuity	163.52	210.81
Provision for Leave encashment	62.60	62.52
<b>Total</b>	<b>226.12</b>	<b>273.33</b>
<b>Current</b>		
Provision for employee benefits*		
Provision for gratuity	23.04	19.73
Provision for leave encashment	11.05	12.24
Provision-others**	15.38	15.38
<b>Total</b>	<b>49.47</b>	<b>47.35</b>

\*Refer Note 27.

\*\* Contingency provision towards indirect taxes. There is no change in this provision during the year ended 31 March 2022.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 17 CONTRACT AND OTHER LIABILITIES

	As at 31 March 2022	As at 31 March 2021
<b>Contract liabilities*</b>		
<b>Non-current</b>		
Deferred revenue	3,315.19	2,584.22
	<b>33,155.19</b>	<b>2,584.22</b>
<b>Current</b>		
Deferred revenue	5,107.40	4,194.60
Advances from customers	643.38	477.59
	<b>5,750.78</b>	<b>4,672.19</b>
<b>Total</b>	<b>9,065.97</b>	<b>7,256.41</b>
<b>Other liabilities-Current</b>		
Statutory dues		
Tax deducted at source payable	32.20	37.17
GST payable	250.20	181.19
Others	7.76	4.91
<b>Total</b>	<b>290.16</b>	<b>223.27</b>

\*Contract liabilities include consideration received in advance to render web services in future periods. Refer Note 33 for outstanding balances pertaining to related parties.

## 18 INCOME TAX ASSETS (NET)

	As at 31 March 2022	As at 31 March 2021
<b>Income tax assets (net of provisions)</b>		
<b>Non current</b>		
Income tax assets	1,847.63	821.79
Less: Provision for income tax	(1,615.72)	(635.25)
	<b>231.91</b>	<b>186.54</b>
<b>Current</b>		
Income tax assets	-	54.85
	<b>-</b>	<b>54.85</b>
<b>Total</b>	<b>231.91</b>	<b>241.39</b>

## 19 REVENUE FROM OPERATIONS

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Sale of services</b>		
Income from web services	7,369.87	6,550.69
Advertisement and marketing services	137.83	99.79
<b>Total</b>	<b>7,507.70</b>	<b>6,650.48</b>

Transaction price allocated to the remaining performance obligations

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 19 REVENUE FROM OPERATIONS (Contd.)

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 31 March 2022		As at 31 March 2021	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Web services	5,730.35	3,305.72	4,671.39	2,583.35
Advertisement and marketing services	20.43	9.47	0.80	0.87
	<b>5,750.78</b>	<b>3,315.19</b>	<b>4,672.19</b>	<b>2,584.22</b>

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2022 and 31 March 2021.

	As at 31 March 2022	As at 31 March 2021
<b>Contract liabilities</b>		
Web services	9,036.07	7,254.74
Advertisement and marketing services	29.90	1.67
	<b>9,065.97</b>	<b>7,256.41</b>
Non-current	3,315.19	2,584.22
Current	5,750.78	4,672.19
	<b>9,065.97</b>	<b>7,256.41</b>

Significant changes in the contract liability balances during the period are as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance at the beginning of the year	7,256.41	6,835.20
Less: Revenue recognised from contract liability balance at the beginning of the year	(4,252.06)	(3,897.92)
Add: Amount received from customers during the year	9,317.26	7,071.69
Less: Revenue recognised from amounts received during the year	(3,255.64)	(2,752.56)
<b>Closing balance at the end of the year</b>	<b>9,065.97</b>	<b>7,256.41</b>

## 20 OTHER INCOME

	For the year ended 31 March 2022	For the year ended 31 March 2021
Fair value gain on measurement and income from sale of financial assets		
- Fair value gain on measurement and income from sale of mutual funds, bonds, debentures, units of alternative investment funds and investment trust	1,029.68	788.80
- Fair value loss on Investment in debt instruments of subsidiaries	(45.00)	984.68
- Fair value gain on measurement of Investment in other entities	7.72	(41.60)
Interest income from financial assets measured at amortised cost		747.20
- on bank deposits	15.20	
- on corporate deposits and loans	42.63	29.41
- on security deposits	2.85	2.07
Other interest income	9.92	4.87
Dividend Income	2.59	0.98
Gain on de-recognition of Right-of-use assets	1.76	32.48
Liabilities and provisions no longer required written back	7.30	10.02
Net gain on disposal of property, plant and equipment	1.56	22.93
Miscellaneous income	2.39	1.66
	-	-
<b>Total</b>	<b>1,078.60</b>	<b>851.62</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 21 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, allowance and bonus	2,425.75	1,857.85
Gratuity expense (Refer Note 27)	61.74	50.76
Leave encashment expense (Refer Note 27)	6.11	4.75
Contribution to provident and other funds	26.96	16.84
Employee share based payment expense (Refer Note 28)	102.73	52.70
Staff welfare expenses	5.18	4.31
<b>Total</b>	<b>2,628.47</b>	<b>1,987.21</b>

## 22 FINANCE COSTS

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest cost of lease liabilities	54.02	66.63
<b>Total</b>	<b>54.02</b>	<b>66.63</b>

## 23 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (Refer Note 5A)	11.44	24.85
Depreciation of Right-of-use assets (Refer Note )	106.46	131.96
Amortisation of intangible assets (Refer Note 6)	1.11	1.84
<b>Total</b>	<b>119.01</b>	<b>158.65</b>

## 24 OTHER EXPENSES

	For the year ended 31 March 2022	For the year ended 31 March 2021
Content development expenses	164.38	106.94
Buyer Engagement Expenses	143.13	171.95
Customer Support Expenses	163.17	161.65
Outsourced sales cost	737.75	522.30
Internet and other online expenses	296.73	191.46
Rates and taxes	10.27	4.76
Outsourced support cost	12.53	11.72
Advertisement expenses	8.34	6.32
Power and fuel	7.72	6.86
Repair and maintenance:		
- Plant and machinery	3.26	2.19
- Others	27.27	19.64
Travelling and conveyance	10.43	3.08
Recruitment and training expenses	12.26	6.34
Legal and professional fees	51.63	31.09
Directors' sitting fees	3.55	1.14
Auditor's remuneration	5.55	4.44
Insurance expenses	30.58	28.91
Collection charges	27.50	24.59



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 24 OTHER EXPENSES (Contd.)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Loss on change of control of a subsidiary converted into an associate	-	0.05
Corporate social responsibility activities expenses (Refer Note 36)	36.37	10.98
Rent	3.51	10.42
Miscellaneous expenses	2.38	3.08
<b>Total</b>	<b>1,758.31</b>	<b>1,329.91</b>

### Payment to Auditors\*

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>As auditor:</b>		
- Audit fee	5.50	4.00
- Other services	-	0.10
- Reimbursement of expenses	0.05	0.34
	<b>5.55</b>	<b>4.44</b>

\*Excludes fees paid to statutory auditor of INR Nil (31 March 2021: 4.9 Millions) for QIP related services.

## 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 2022	For the year ended 31 March 2021
<b>Basic</b>		
Net profit as per the statement of profit and loss for computation of EPS (A)	3,098.24	2,867.13
Weighted average number of equity shares used in calculating basic EPS (B)	30,424,200	29,098,875
Basic earnings per equity share (A/B)	101.83	98.53
<b>Diluted</b>		
Weighted average number of equity shares used in calculating basic EPS	30,424,200	29,098,875
Potential equity shares	309,651	482,591
Total no. of shares outstanding (including dilution) (C)	30,733,851	29,581,466
Diluted earnings per equity share (A/C)	100.81	96.92

There are potential equity shares for the period ended 31 March 2022 and 31 March 2021 in the form of share based awards granted to employees which have been considered in the calculation of diluted earning per share.

For the year ended 31 March 2022 : 24,722 (31 March 2021: Nil) SAR units of employees share based awards were excluded from the calculation of diluted weighted average number of ordinary shares as their effect would have been anti-dilutive.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 26 INCOME TAX

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Current tax expense</b>		
Current tax for the year	980.47	635.25
	<b>980.47</b>	<b>635.25</b>
<b>Deferred tax expense/(benefit)</b>		
Relating to origination and reversal of temporary differences	(52.22)	348.10
	<b>(52.22)</b>	<b>348.10</b>
<b>Tax expense related to change in tax rate and law *</b>		
- Deferred tax	-	109.22
	<b>-</b>	<b>109.22</b>
<b>Total income tax expense</b>	<b>928.25</b>	<b>1,092.57</b>

\* Pursuant to a tax law amendment (enacted on 28 March 2021), the tax amortizable goodwill became non tax amortizable from financial year ending 31 March 2021. The amended law states that goodwill of a business or profession will not be considered as a depreciable asset and no depreciation on goodwill will be allowed from 1 April 2020. Accordingly, the deferred tax asset on Goodwill was derecognized by the Company as Goodwill ceased to be tax amortizable pursuant to amendments in the Finance Act, 2021, during the previous year ended 31 March 2021.

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

Deferred tax related to items recognised in OCI during the Year

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain/(loss) on remeasurements of defined benefit plans	1.44	(6.15)

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	4,026.49	3,959.70
<b>Accounting profit before income tax</b>	<b>4,026.49</b>	<b>3,959.70</b>
Tax expense at the statutory income tax rate @25.17%	1,013.47	996.66
Adjustments in respect of differences taxed at lower tax rates	(102.83)	(17.62)
Adjustment in respect of change in carrying amount of investment in subsidiaries	11.33	10.47
Tax expense related to change in tax rate/laws	-	109.22
Dividend income received	(0.20)	(8.17)
Other non-deductible expenses and non-taxable income	6.48	2.01
<b>Tax expense at the effective income tax rate of 23.05% (31 March 2021: 27.59%)</b>	<b>928.25</b>	<b>1,092.57</b>

### d) Breakup of deferred tax recognised in the Balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Deferred tax asset</b>		
Property, plant and equipment and intangible assets	5.29	7.61
Provision for gratuity	46.95	58.02
Provision for compensated absences	18.54	18.82
Investment in subsidiaries measured at fair value	39.30	39.30
Provision for expenses, allowable in subsequent year	39.67	28.84
Ind AS 116 - Leases impact	17.30	10.93
Others	-	0.09
<b>Total deferred tax assets (A)</b>	<b>167.05</b>	<b>163.61</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 26 INCOME TAX (Contd.)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Deferred tax liabilities</b>		
Investment in mutual funds, bonds, debentures, units of alternative investment fund and investment trust measured at fair value	(316.64)	(364.51)
Investment in other entities measured at fair value	(1.77)	-
Accelerated deduction on lease rent for tax purposes	(1.73)	(1.76)
Others	(3.33)	(4.54)
<b>Total deferred tax liabilities (B)</b>	<b>(323.47)</b>	<b>(370.81)</b>
<b>Net deferred tax liabilities (C) = (A) - (B)</b>	<b>(156.42)</b>	<b>(207.20)</b>

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Deferred tax expense/(income) relates to the following:</b>		
Property, plant and equipment and intangible assets	2.32	(0.14)
Provision for gratuity	11.07	(6.34)
Provision for compensated absences	0.28	0.66
Investment in other entities measured at fair value	1.77	0.71
Investment in mutual funds, bonds, debentures, units of alternative investment fund and investment trust measured at fair value	(47.87)	149.88
Deferred revenue	-	0.56
Tax losses	-	164.19
Unabsorbed depreciation	-	27.20
Goodwill Impairment	-	109.21
Provision for expenses, allowable in subsequent year	(10.82)	16.29
Accelerated deduction on lease rent for tax purposes	(0.03)	(0.02)
Ind AS 116 - Leases impact	(6.37)	(10.76)
Others	(1.13)	(0.27)
<b>Deferred tax expense</b>	<b>(50.78)</b>	<b>451.17</b>

### f) Reconciliation of Deferred tax liabilities (Net):

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Opening balance as of 1 April</b>	(207.20)	243.97
Tax (expense)/ benefit during the year recognised in Statement of profit and loss	52.22	(348.10)
Tax impact related to change in tax law	-	(109.22)
Tax impact during the year recognised in OCI	(1.44)	6.15
<b>Closing balance at the end of the year</b>	<b>(156.42)</b>	<b>(207.20)</b>

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

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN

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

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

### Gratuity - defined benefit plan

	As at 31 March 2022	As at 31 March 2021
Present value of defined benefit obligation	332.58	287.84
Fair value of plan assets	(146.02)	(57.30)
<b>Net liability arising from defined benefit obligation</b>	<b>186.56</b>	<b>230.54</b>

### Leave encashment - other long-term employee benefit plan

	As at 31 March 2022	As at 31 March 2021
Present value of other long-term employee benefit	73.65	74.76
<b></b>	<b>73.65</b>	<b>74.76</b>

### 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 long term employee benefit plan and its components.

#### Reconciliation of present value of defined benefit obligation for Gratuity and Leave encashment

	Gratuity	
	31 March 2022	31 March 2021
Balance at the beginning of the year	287.84	218.28
Benefits paid	(14.57)	(7.32)
Current service cost	46.88	37.94
Interest cost	18.55	13.63
- changes in demographic assumptions	-	(2.18)
- changes in financial assumptions	(9.04)	11.84
- experience adjustments	2.92	15.65
<b>Balance at the end of the year</b>	<b>332.58</b>	<b>287.84</b>

	Leave encashment	
	31 March 2022	31 March 2021
Balance at the beginning of the year	74.76	77.38
Benefits paid	(7.22)	(7.37)
Current service cost	0.01	1.66
Interest cost	4.82	4.83
- changes in demographic assumptions	-	(4.84)
- changes in financial assumptions	(0.64)	0.66
- experience adjustments	1.92	2.44
<b>Balance at the end of the year</b>	<b>73.65</b>	<b>74.76</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN (Contd.)

### Movement in fair value of plan assets

	Gratuity	
	31 March 2022	31 March 2021
Opening fair value of plan assets	57.30	12.94
Interest income	3.69	0.81
Actuarial gains/(losses)	(0.40)	0.87
Contributions from the employer	100.00	50.00
Benefits paid	(14.57)	(7.32)
<b>Closing fair value of plan assets</b>	<b>146.02</b>	<b>57.30</b>

Each year the management of the Company reviews the level of funding required as per its risk management strategy. The Company expects to contribute to gratuity INR 52.85 millions in FY 2022-23 (31 March 2021: INR 42.55 million).

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 2022	As at 31 March 2021
Funds managed by insurer	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

	Gratuity	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	46.88	37.94
Net interest expense	14.86	12.82
Components of defined benefit costs recognised in profit or loss	<b>61.74</b>	<b>50.76</b>
Remeasurement of the net defined benefit liability		
Actuarial (gain)/loss on plan assets	0.40	(0.87)
Actuarial loss on defined benefit obligation	(6.12)	25.31
Components of defined benefit costs recognised in other comprehensive loss	<b>(5.72)</b>	<b>24.44</b>

	Leave encashment	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	0.01	1.66
Net interest expense	4.82	4.83
Actuarial/(gain) loss on other long term employee benefit plan	1.28	(1.74)
Components of other long term employee benefit costs recognised in profit or loss	<b>6.11</b>	<b>4.75</b>

### c) Actuarial assumptions

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

	As at 31 March 2022	As at 31 March 2021
Discount rate	6.75%	6.45%
Expected rate of return on assets	6.75%	6.45%

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN (Contd.)

Attrition rate:	As at 31 March 2022		As at 31 March 2021	
	Upto 4 years of service	Above 4 years of service	Upto 4 years of service	Above 4 years of service
<b>Ages</b>				
Upto 30 years	30.00%	30.00%	30.00%	30.00%
Above 30 years	10.00%	10.00%	10.00%	10.00%
<b>Future salary growth</b>				
Year 1	12.25%	12.25%	12.25%	12.00%
Year 2	12.25%	12.25%	12.25%	12.00%
Year 3 and onwards	12.25%	12.25%	12.25%	12.00%
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

As at 31 March 2022	Increase	Decrease
Impact of change in discount rate by 0.50%	(21.40)	23.81
Impact of change in salary by 0.50%	9.01	(9.56)

As at 31 March 2021	Increase	Decrease
Impact of change in discount rate by 0.50%	(19.37)	21.62
Impact of change in salary by 0.50%	10.10	(10.51)

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 31 March 2022	As at 31 March 2021
Within one year	23.04	19.73
Within one - three years	38.30	30.42
Within three - five years	33.45	26.79
Above five years	237.79	210.90
<b>Total</b>	<b>332.58</b>	<b>287.84</b>

## 28 SHARE BASED PAYMENT PLANS

### a) Employee Stock Option Plan (ESOP)

The Company has provided various share-based payment schemes to its employees in the preceding financial years. During the year ended 31 March 2022, the following schemes were in operation:

	ESOP 2016	ESOP 2017	ESOP 2022
Date of grant	July 28, 2016	June 02, 2017	Jan 10, 2022
Date of Board Approval	July 28, 2016	May 04, 2017	Jan 08, 2022
Date of Shareholder's approval	September 23, 2015	September 23, 2015	May 07, 2018
Number of options approved	276,980	200,730	45,490
Method of Settlement	Equity	Equity	Equity
Vesting period (in months)	0 to 48 Months	0 to 48 Months	0 to 48 Months



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 28 SHARE BASED PAYMENT PLANS (Contd.)

The details of activity have been summarized below:

### ESOP 2016

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	19,425	200
Exercised during the year	-	-	19,425	200
Outstanding at the end of the year	-	-	-	-

### ESOP 2017\*

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	13,923	200	27,846	200
Granted during the year	Nil	-	Nil	200
Forfeited/ expired during the year	-	-	Nil	200
Exercised during the year	13,923	200	13,923	200
Outstanding at the end of the year	-	-	13,923	200
Exercisable at the end of the year	Nil	-	Nil	200

\* 27,846 shares have been issued against the ESOP exercised under this scheme during the year after considering the impact of bonus shares.

### ESOP 2022

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	Nil	-
Granted during the year	45,490	10	Nil	-
Forfeited/ expired during the year	440	10	Nil	-
Exercised during the year	-	-	Nil	-
Outstanding at the end of the year	45,050	10	Nil	-
Exercisable at the end of the year	Nil	-	Nil	-

Figures for current year ended 31 March 2022 and previous year are as follows:

	As at 31 March 2022		
	ESOP 2022	ESOP 2016	ESOP 2017
Range of exercise prices	10	200	200
Number of options outstanding	45,050	-	-
Weighted average remaining contractual life of options (in years)	4	-	-
Weighted average exercise price	10	200	200
Weighted average share price for the options exercised during the year	-	300	300

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 28 SHARE BASED PAYMENT PLANS (Contd.)

	As at 31 March 2021	
	ESOP 2016	ESOP 2017
Range of exercise prices	200	200
Number of options outstanding	-	13,293
Weighted average remaining contractual life of options (in years)	-	-
Weighted average exercise price	200	200
Weighted average share price for the options exercised during the year	300	300

### Stock Options granted

The fair value of options is measured using Black-Scholes valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans are given in the table below:

	As at 31 March 2022	
	ESOP 2016	ESOP 2017
Weighted average share price	275.93	280.5
Exercise price	200	200
Expected volatility	0.00%	0.00%
Historical volatility	0.10%	0.10%
Life of the options granted (Vesting and exercise period) in years	7.70	7.70
Expected dividends	Nil	Nil
Average risk-free interest rate	7.20%	7.20%

	ESOP 2022*
Weighted average share price	6,662
Exercise price	10
Life of the options granted (Vesting and exercise period) in years	4

\* For ESOP 2022 Scheme, the stock price as on the day prior to the grant date has been considered as the fair value.

	As at 31 March 2021	
	ESOP 2016	ESOP 2017
Weighted average share price	275.93	280.50
Exercise price	200	200
Expected volatility	0.00%	0.00%
Historical volatility	0.10%	0.10%
Life of the options granted (Vesting and exercise period) in years	7.70	7.70
Expected dividends	Nil	Nil
Average risk-free interest rate	7.20%	7.20%

### b) Stock appreciation rights (SAR)

The Company has granted stock appreciation rights to its employees. Details are as follows

	SAR 2018	SAR 2021	SAR 2022
Date of grant	October 01, 2018	August 01, 2021	January 10, 2022
Date of Board Approval	September 22, 2018	July 19, 2021	January 08, 2022
Date Of Shareholder's approval	May 07, 2018	May 07, 2018	May 07, 2018
Number of units approved	800,740	8,600	68,770
Method of Settlement	Equity	Equity	Equity
Vesting year (in months)	0 to 48 Months	0 to 48 Months	0 to 48 Months

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 28 SHARE BASED PAYMENT PLANS (Contd.)

The details of activity have been summarized below:

### SAR 2018\*

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	4,27,788	500	5,84,592	500
Granted during the year	-	-	Nil	Nil
Lapsed during the year	11,280	500	12,448	500
Exercised during the year	2,12,850	500	1,44,356	Nil
Expired during the year	-	-	Nil	Nil
Outstanding at the end of the year	2,03,658	500	4,27,788	500
Exercisable at the end of the year	Nil	Nil	Nil	Nil

\*208,850 (31 March 2021 : 130,039) shares have been issued against the SAR exercised under this scheme during the year after adjusting the impact of consideration payable by employees.

### SAR 2021

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	8,600	10	-	-
Lapsed during the year	1,350	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	7,250	10	-	-
Exercisable at the end of the year	-	-	-	-

### SAR 2022

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	68,770	10	-	-
Lapsed during the year	2,420	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	66,350	10	-	-
Exercisable at the end of the year	-	-	-	-

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 28 SHARE BASED PAYMENT PLANS (Contd.)

Figures for current year ended 31 March 2022 and previous year are as follows:

	For the year ended 31 March 2022		
	SAR 2018	SAR 2021	SAR 2022
Range of exercise prices	500	10	10
Number of units outstanding	203,658	7,250	66,350
Weighted average remaining contractual life of units (in years)	0.50	3.33	3.83
Weighted average exercise price	500	10	10

	For the year ended 31 March 2021	
	SAR 2018	SAR 2021
Range of exercise prices	500	
Number of units outstanding	427,788	
Weighted average remaining contractual life of units (in years)	2	
Weighted average exercise price	500	

### SAR units granted

The fair value of SAR units is measured using Black-Scholes valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans are given in the table below:

SAR 2018	
Weighted average share price	597
Exercise Price	500
Expected Volatility	41%
Historical Volatility	41%
Life of the units granted (Vesting and exercise year) in years	4.00
Expected dividends	Nil
Average risk-free interest rate	7.80%

	SAR 2021*	SAR 2022*
Weighted average share price	7,135	6,662
Exercise Price	10	10
Life of the units granted (Vesting and exercise year) in years	4	4

\* For SAR 2021 and SAR 2022 Scheme, 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 profit and loss:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Total Employee Compensation Cost pertaining to share-based payment plans	102.73	52.70
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	102.73	52.70

### Effect of the employee share-based payment plans on its financial position:

	As at 31 March 2022	As at 31 March 2021
Total reserve for employee share based payments outstanding as at year end	130.15	97.37

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 29 FAIR VALUE MEASUREMENTS

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

	Level	As at 31 March 2022	As at 31 March 2021
<b>Financial assets</b>			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds (Refer Note b(iii) below)	Level 1	15,731.30	21,690.82
- Investment in bonds (Refer Note b(v) below)	Level 1	-	470.56
- Investments in Investment Trust (Refer Note b(iii) below)	Level 1	327.63	-
- Investments in Alternative investment funds (Refer Note b(iii) below)	Level 1	102.61	-
- Investment in bonds & debentures (Refer Note b(v) and b(vi) below)	Level 2	6,832.57	-
- Investment in debt instruments of subsidiaries and equity/ preference instruments of other entities (Refer Note b(iv) below)	Level 3	1,768.65	190.49
		<b>24,762.76</b>	<b>22,351.87</b>
b) Measured at amortised cost (Refer Note b(i) and (ii) below)			
- Trade receivables		13.26	12.46
- Cash and cash equivalents		452.78	350.07
- Loans to employees		31.07	8.98
- Inter-corporate deposits		417.35	701.91
- Security deposits		42.27	41.70
- Deposits with Banks		272.77	376.02
- Other financial assets		103.61	66.94
		<b>1,333.11</b>	<b>1,558.08</b>
<b>Total (a+b)</b>		<b>26,095.87</b>	<b>23,909.95</b>
<b>Financial liabilities</b>			
a) Measured at amortised cost (Refer Note b(i) and (ii) below)			
- Trade payables		182.96	153.84
- Security deposits		-	0.14
- Other financial liabilities		194.29	193.22
- Lease liabilities		562.80	634.24
<b>Total</b>		<b>940.05</b>	<b>981.44</b>

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

- 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, lease liabilities and other financial assets and other financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments. These have been assessed basis counterparty credit risk.
- The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used do not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.
- Fair value of quoted mutual funds, alternative investment funds and investment trust is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.
- Fair value of debt instruments of subsidiaries and equity/preference instruments of other entities is estimated based on replacement cost method / discounted cash flows / market multiple valuation technique using cash flow projections, discount rate and credit risk and are classified as Level 3.
- With effect from 1 April 2021, the fair value of quoted bonds is determined using observable market's inputs and is classified as Level 2 as against earlier classification of Level 1.
- Fair value of the quoted bonds and debentures is determined using observable market's inputs and is classified as Level 2.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 29 FAIR VALUE MEASUREMENTSS (Contd.)

c) Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of 31 March 2022

Financial assets	Valuation technique(s)	Signifcant Unobservable input range	Inter-relationship between significant unobservable input and fair value measurement
<b>Investment in debt instruments of subsidiaries and equity/preference instruments of other entities</b>			
- Pay With Indiamart Private Limited, Tradezeal Online Private Limited, Mobisy Technologies Private Limited, Mynd Solutions Private Limited, Zimyo consulting Private Limited and Fleetx Technologies Private Limited	Market multiple approach	0.7x-8.3x	The estimated fair value of Investment in Other entities will Increase/ (decrease) if the Market multiple is higher/ (lower)
- Tolexo Online Private Limited	Replacement cost method	Replacement cost	NA

### Sensitivity

For the fair value of investment in other entities, reasonably possible changes in Market Multiple by 250 basis points at the reporting date being a significant unobservable inputs, would have the following effect

	For the year ended 31 March 2022
+2.5% change in Market Multiple	32.73
-2.5% change in Market Multiple	(21.09)

Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of 31 March 2021

Financial assets	Valuation technique(s)	Key input(s)	Sensitivity
Investment in debt instruments of subsidiaries and equity/preference instruments of other entities			
-Pay With Indiamart Private Limited, Tradezeal Online Private Limited, Mobisy Technologies Private Limited	Refer Note below*	i) Discount rate ii) Growth rate for long term cash flow projections iii) Future cash flow projections based on budgets.	Refer note below**
-Tolexo Online Private Limited	Replacement cost method / Market multiple	Replacement cost method / Market multiple	NA

\* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted valuation models based on a discounted cashflow analysis, with one of the most significant inputs being the discount rate.

\*\* Sensitivity to changes in unobservable inputs: The fair value of the financial assets is directly proportional to the estimated future cash flow projections based on the budgets approved by the management. Change in significant unobservable input of discount rate by 100 bps and growth rate by 100 bps in the valuation does not have a significant impact on the carrying value of the assets in the financial statements.



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 29 FAIR VALUE MEASUREMENTS (Contd.)

### d) Reconciliation of level 3 fair value measurements

	Investment in Optionally Convertible Cumulative Redeemable Preference instruments of subsidiaries	
	For the Year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	90.50	89.60
Gain recognised in profit or loss	(45.00)	(41.60)
Additions	92.00	42.50
<b>Closing balance</b>	<b>137.50</b>	<b>90.50</b>

	Investment in equity/preference instruments of other entities	
	For the Year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	99.99	-
Gain recognised in profit or loss	7.72	-
Additions	1,523.44	99.99
<b>Closing balance</b>	<b>1,631.15</b>	<b>99.99</b>

- e) During the year ended 31 March 2022 and 31 March 2021, there were no transfer due to re-classification into and out of Level 3 fair value measurements.

## 30 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.

## 31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

### i) Credit risk management

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

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

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).

### Trade receivables

The Company primarily collects consideration in advance for the services to be provided to the customer. As a result, the Company is not exposed to significant credit risk on trade receivables.

Cash and cash equivalents, bank deposits and investments in mutual funds, bonds, debentures, units of alternative investment funds and units of investment trust.

The company maintains its cash and cash equivalents, bank deposits, inter-corporate deposits and investment in mutual funds, bonds, debentures, units of alternative investment funds and units of investment trust 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.

### 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 Company's reputation.

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

### Maturities of financial liabilities

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

#### Contractual maturities of financial liabilities

31 March 2022	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	182.96	-	182.96
Lease liabilities	100.41	462.39	562.80
Other financial liabilities	194.29	-	194.29
	<b>477.66</b>	<b>462.39</b>	<b>940.05</b>

31 March 2021	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	153.84	-	153.84
Lease liabilities	108.57	525.67	634.24
Other financial liabilities	193.36	-	193.36
	<b>455.77</b>	<b>525.67</b>	<b>981.44</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

### 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, units of alternative investment funds, units of investment trust and investment in other entities.

#### 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). The company's exposure to unhedged foreign currency risk as at 31 March 2022 and 31 March 2021 is not material. Currency risks related to the principal amounts of the company's US dollar trade receivables.

#### b) Interest rate risk

Investment of short-term surplus funds of the company in liquid schemes of mutual funds, bonds, debentures, units of alternative investment fund and investment trust provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

Sensitivity

	Impact on profit before tax	
	For the year ended 31 March 2022	For the year ended 31 March 2021
+ 5% change in NAV of mutual funds, bonds, debentures, units of alternative investment funds and investment trust.	1,149.71	1,108.07
- 5% change in NAV of mutual funds, bonds, debentures, units of alternative investment funds and investment trust.	(1,149.71)	(1,108.07)

## 32 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 business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers and operates in a single business 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 "Business to business e-marketplace".

### 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		Non-current assets*	
	For the Year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
India	7,430.89	6,572.16	587.08	652.43
Others	76.81	78.32	-	-
	<b>7,507.70</b>	<b>6,650.48</b>	<b>587.08</b>	<b>652.43</b>

\* Non-current assets exclude financial assets, investment in subsidiaries and associates, deferred tax assets, tax assets and post-employment benefit assets.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 33 RELATED PARTY TRANSACTIONS

### i) Names of related parties and related party relationship:

#### a) Entity's subsidiaries & associates

<b>Subsidiaries</b>	Hello Trade Online Private Limited Tradezeal Online Private Limited Tolexo Online Private Limited Pay With Indiamart Private Limited Ten Times Online Private Limited (ceased to be a subsidiary on 1 September 2020) Simply Vyapar Apps Private Limited Ten Times Online Private Limited (with effect from 1 September 2020) IB Monotaro Private Limited
<b>Associates</b>	

#### 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)

Name	Designation
Dinesh Chandra Agarwal	Managing Director & CEO
Brijesh Kumar Agrawal	Whole time director
Prateek Chandra	Chief financial officer
Manoj Bhargava	Company Secretary
Dhruv Prakash	Non-executive director
Rajesh Sawhney	Independent director
Elizabeth Lucy Chapman	Independent director
Vivek Narayan Gour	Independent director

#### c) Entities where Individuals and Key Management Personnel (KMP) as defined above exercise significant influence

Mansa Enterprises Private Limited

#### d) Other related parties

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

### ii) Key management personnel compensation

	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term employee benefits	137.24	111.39
Post-employment benefits	0.25	0.13
Other long-term employee benefits	0.36	-
Employee share based payment	5.46	4.37
	<b>143.31</b>	<b>115.89</b>

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 33 RELATED PARTY TRANSACTIONS (Contd.)

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 2022	For the year ended 31 March 2021
<b>Entities where KMP and Individuals exercise Significant influence</b>		
<b>Expenses for rent</b>		
Mansa Enterprises Private Limited	1.73	1.59
<b>Key management personnel</b>		
<b>Recruitment and training expenses</b>		
Dhruv Prakash	-	0.44
<b>Loans</b>		
Manoj Bhargava	1.50	-
Director's sitting fees	3.55	1.14
<b>Dividend paid</b>		
Dinesh Chandra Agarwal	129.46	-
Brijesh Kumar Agrawal	87.73	-
Prateek Chandra	1.46	-
Manoj Bhargava	0.01	-
Rajesh Sawhney	0.08	-
Dhruv Prakash	0.38	-
Vivek Narayan Gour	0.15	-
<b>Subsidiaries and Associates</b>		
<b>Dividend received</b>		
Ten Times Online Pvt. Ltd	-	32.48
<b>Investment in subsidiaries</b>		
Tolexo Online Private Limited	52.00	20.00
Tradezeal Online Private Limited	760.00	20.00
Pay With Indiamart Pvt. Ltd	-	2.50
<b>Investment in associates</b>		
Simply Vyapar Apps Private Limited	615.51	-
IB Monotaro Private Limited	1,041.77	-
<b>Loans to subsidiaries</b>		
Tradezeal Online Private Limited	286.50	-
<b>Repayment of loans to subsidiaries</b>		
Tradezeal Online Private Limited	286.50	-
<b>Web &amp; Advertisement services provided to</b>		
Pay With Indiamart Private Limited	4.25	4.53
Simply Vyapar Apps Private Limited	8.43	0.04
<b>Indemnification payments</b>		
Pay With Indiamart Private Limited	0.99	1.98
<b>Customer support services availed from</b>		
Pay With Indiamart Private Limited	2.49	1.27
<b>Miscellaneous services provided to</b>		
Simply Vyapar Apps Private Limited	2.38	-
<b>Internet and online services availed from</b>		
Ten Times Online Pvt. Ltd	0.17	0.05
<b>Interest received on loans given</b>		
Tradezeal Online Private Limited	2.77	-

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 33 RELATED PARTY TRANSACTIONS (Contd.)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Indiamart Employee Benefit Trust</b>		
Repayment of loan given	2.00	1.20
Share capital issued	1.73	1.35
Interest free loan given	0.50	1.20
Dividend paid	3.31	-

### 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 2022	As at 31 March 2021
<b>Subsidiary companies</b>		
<b>Investment in debt instruments of subsidiaries (Measured at FVTPL)</b>		
Tolexo Online Private Limited	22.00	15.00
Tradezeal Online Private Limited	60.00	20.00
Pay With Indiamart Private Limited	55.50	55.50
<b>Investment in equity instruments and debentures of subsidiaries (At cost)*</b>		
Tolexo Online Private Limited	70.02	70.02
Tradezeal Online Private Limited	721.10	1.10
Hello Trade Online Private Limited	0.30	0.30
Pay With Indiamart Private Limited	1.00	1.00
<b>Trade payable</b>		
Pay With Indiamart Private Limited	-	0.10
<b>Key management personnel</b>		
Director's sitting fees	-	0.05
<b>Loans</b>	1.50	-
<b>Associates</b>		
<b>Investment in associates</b>		
Simply Vyapar Apps Private Limited	927.52	312.02
Ten Times Online Private Limited	0.93	0.93
IB Monotaro Private Limited	1,041.77	-
<b>Deferred Revenue</b>		
Simply Vyapar Apps Private Limited	1.01	0.47
<b>Loan given</b>		
Indiamart Employee Benefit Trust	-	1.50

\*Does not include provision for diminution of investment in equity shares.



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 34 THE COMPANY HAS PROVIDED FOLLOWING FUNCTION WISE RESULTS OF OPERATIONS ON A VOLUNTARY BASIS

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
A Revenue from operations	7,507.70	6,650.48
B Customer service cost	(1,596.08)	(1,216.58)
<b>C Surplus over customer service cost (A-B)</b>	<b>5,911.62</b>	<b>5,433.90</b>
Selling & Distribution Expenses	1,097.47	801.38
Technology & Content Expenses	1,105.36	847.35
Marketing Expenses	26.45	21.66
Depreciation and amortisation	119.01	158.65
Other Operating Expenses	561.42	430.15
<b>D Total</b>	<b>2,909.71</b>	<b>2,259.19</b>
<b>E Operating profit (C-D)</b>	<b>3,001.91</b>	<b>3,174.71</b>
Finance costs	(54.02)	(66.63)
Other income	1,078.60	851.62
<b>F Total</b>	<b>1,024.58</b>	<b>784.99</b>
<b>G Profit before tax</b>	<b>4,026.49</b>	<b>3,959.70</b>
Tax expense	928.25	1,092.57
<b>Profit for the period</b>	<b>3,098.24</b>	<b>2,867.13</b>

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

### Customer service cost

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

### Selling & Distribution Expenses

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

### Technology & Content Expenses

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

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 34 THE COMPANY HAS PROVIDED FOLLOWING FUNCTION WISE RESULTS OF OPERATIONS ON A VOLUNTARY BASIS (Contd.)

employee count; Complaint Handling (1-800) Exp. (included in "Customer Support Expenses" in Note 24); Server Exp. (Web Space for Hosting), Software Expenses, Server Exp. (Google Emails-Employees) & Website Support & Maintenance (included in "Internet and other online expenses" in Note 24).

### Marketing Expenses

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

### Other Operating Expenses

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

## 35 CONTINGENT LIABILITIES AND COMMITMENTS

### a) Contingent liabilities

- On February 28, 2019, a judgment of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers altered historical understandings of such obligations, extending them to cover additional portions of the employee's income. However, the judgment isn't explicit if such interpretation may have retrospective application resulting in increased contribution for past and future years for certain employees of the Company. The Company, based on an internal assessment, evaluated that there are numerous interpretative challenges on the retrospective application of the judgment which results in impracticability in estimation of and timing of payment and amount involved. As a result of lack of implementation guidance and interpretative challenges involved, the Company is unable to reliably estimate the amount involved. Accordingly, the Company shall evaluate the amount of provision, if any, on there being further clarity on the matter.
- The Company is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results or cash flows of the Company, with respect to loss contingencies for legal and other contingencies as at 31 March 2022.
- 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 framed. 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 published.

### b) Capital and other commitments

- As at 31 March 2022, the Company has NIL capital commitment (31 March 2021: 13 Millions).
- The Company will provide financial support to its wholly owned subsidiaries, so as to meet their liabilities as and when the same is required.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 36 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

	31 March 2022	31 March 2021
a) Amount required to be spent by the company during the year,	34.86	10.98
b) Amount of expenditure incurred on:		
(i) construction/acquisition of any asset	-	-
(ii) on purpose other than (i) above	36.40	12.49
c) (Shortfall) /excess at the end of year	0.03	1.51
d) Total previous year (Shortfall) /excess	1.51	-
e) Reason for shortfall	NA	NA
f) Nature of CSR Activities	*	**
g) Details of related party transaction in relation to CSR expenditure	Nil	Nil
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the previous year shall be shown separately.	-	-

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

\*\* Promoting Education and skill development, healthcare and disaster management (COVID-19).

## 37 ADDITIONAL REGULATORY INFORMATION

### a) Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance*
<b>Current Ratio (in times)</b>	Current Assets	Current liabilities	3.70	4.40	-16%
<b>Debt-Equity Ratio (in times)</b>	Total debt (represents lease liabilities) (Refer Note 1 below)	Shareholder's equity	0.03	0.04	-24%
<b>Debt Service Coverage Ratio (in times)</b>	Earning available for debt service (Refer Note 2 below)	Debt Service (Refer Note 3 below)	5.98	4.90	22%
<b>Return on Equity Ratio (in %)</b>	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	17.66%	30.32%	-42%
<b>Trade Receivables turnover ratio (in times)</b>	Net Credit sales during the year	Average trade receivable	20.63	13.46	53%
<b>Trade payables turnover ratio (in times)</b>	Other expenses	Average trade payable	10.44	8.04	30%
<b>Net capital turnover ratio (in times)</b>	Revenue from operations	Working capital (Current Assets- Current liabilities)	0.42	0.36	17%
<b>Net profit ratio (in %)</b>	Net profit after tax	Revenue from operations	41.27%	43.11%	-4%
<b>Return on Capital employed (ROCE) (in %)</b>	Earning before interest and taxes	Capital employed (Refer Note 4 below)	20.78%	23.67%	-12%
<b>Return on investment (ROI) (in %)</b>	Income generated from invested funds (Refer Note 5 below)	Average invested funds in treasury investments (Refer Note 6 below)	4.49%	7.00%	-36%

### Notes

- Total debt represents lease liabilities.
- Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and amortizations + Interest + other adjustments like gain on sale of Fixed assets, share based expenses etc.
- Debt service = Lease Payments (Interest + Principal)
- Capital Employed = Total shareholder's equity + Deferred tax liability + Lease liabilities
- Income generated from invested funds = FVTPL gain on mutual funds, bonds, debentures, units of alternative investment funds and investment trust + Interest income from Bank deposits + Interest income on inter corporate deposits
- Average invested funds in treasury investments = Average of (Average quarterly opening treasury investments and quarterly closing treasury investments #)
- Treasury Investments = Mutual funds, bonds, debentures, units of alternative investment funds and investment trust + Inter - corporate deposits + Bank deposits
- Average is calculating based on simple average of opening and closing balances.
- Explanation where variance in ratio is more than 25%

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 37 ADDITIONAL REGULATORY INFORMATION (Contd.)

### Return on Equity Ratio

On account of QIP issue in the last quarter of previous financial year, the average net worth has become higher in the current year subsequently, resulting in lower return on equity/capital employed in year ended 31 March 2022.

### Trade Receivables turnover ratio

Increase in trade receivable turnover ratio is on account of better realisation of trade receivables.

### Trade payables turnover ratio

Increase in trade payable turnover ratio is due to improvisation in the payable process thereby reducing payment cycle of the vendors.

### Return on investment (ROI)

RBI had taken measures during COVID-19 in the month of March 2020 hence cut interest rates drastically, and introduced ample liquidity measures. We generated high returns in our liquid fund portfolio due to these liquidity measures in F.Y. 2020-2021. In F.Y. 2022 fixed income investments generated lower returns due to high liquidity in markets.

### b) Relationship with Struck off companies

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
1	SG fabs kitchen equipment private limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
2	Amro cranes private limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
3	Kumar Ceramics Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
4	Aspen Systems Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
5	Vikas Scientific Instruments Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
6	Mars Sterile Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
7	Parameshwary Embed Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
8	Nirvana Fashion Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
9	Lemison Laundry Equipment Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
10	Lorman Induction Technology Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
11	Advantech Crane Automation Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
12	Giriraj Steels Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
13	First Office Solutions India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
14	Mollimax Suppliers Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
15	Sunflower Natural Perfume Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
16	Woman Arts Food Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
17	Art Of Masala Foods Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
18	Ratnaprava Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
19	Aps Equipments Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
20	Leo Royal Techserve Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
21	Aditya Inkjet Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 37 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
22	Mercatum Technology Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
23	Rajaratna Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
24	Micro-Flow Contamination Solutions (India) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
25	Sun Sports Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
26	Maitri Infosoft Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
27	R. M. Retail Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
28	Navya Automation System Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
29	Alba Nova Life Science Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
30	Supreme Reliable Retail Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
31	Ashwattha Enterprises Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
32	E-Systems Techno Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
33	Dev Electromedical Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
34	Aster Automotive Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
35	Hottip India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
36	Safezonee Enviro Engineers Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
37	Agi Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
38	Crown Filtech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
39	Jp Energy Systems India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
40	Mahavir Interiors & Projects Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
41	Atharva Industrial Equipments Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
42	Fire Engitech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
43	Taamini Crop Science Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
44	Sidhi Vinayak Footwears Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
45	Apploex Road Equipments Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
46	Nizami'S Exim Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
47	Nathanz Chemicals Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
48	Starlife Enterprises India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
49	Maanam Corporation (Opc) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 37 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
50	Intersoftkk (India) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
51	Visaag Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
52	Fairhomes Interior Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
53	Z-Axis Decors Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
54	Aguaz Water Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
55	Sharmila Manpower Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
56	Venerate Exports Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
57	Midshipmite Recruiters Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
58	Alen Fab Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
59	Jacob And Sons Trading Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
60	Green Velly Pesticides Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
61	Virsun Organic India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
62	Axelerant Infra (India) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
63	Isavgo Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
64	Se Consultancy Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
65	Taral Pharma Machinery Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
66	Tera Ventura Agro And Textiles Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
67	Dinora International India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
68	Shri Laxmi Chemicals And Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
69	Biofix Infiniumz Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
70	Aasara Pre-Fab Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
71	Hansru Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
72	Informatics E-Tech (India) Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
73	Diamenta Jewels Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
74	Sapphire Industrial Products Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
75	Aasthaa Airtech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
76	Super Transports Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
77	Yo Dry Fruits Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
78	Green Handle Products Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*



# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 37 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
79	Sha Hydraulics Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
80	Prinz Infosoft Systems Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
81	Connectia Tech Services Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
82	Accu Meditech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
83	Access 1 Solution Digital Marketing Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
84	Panacea Natural Greens India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
85	Kazhugu Alavukol Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
86	Abpx Pharma Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
87	Beetaair Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
88	Aloe Pharmacy Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
89	Sant Krupa Steel India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
90	Eurosia Irrigation Systems Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
91	K. S. R. Brothers Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
92	Jumboodeep Adventures & Tours Private Limited.	Revenue and contract liabilities	Customer	-*	-*	-*	-*
93	Exhicon World Exhibit Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
94	Maxin Hydro Dynamic India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
95	Nesa Radiation Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
96	Bvr Toys And Furnitures Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
97	Js Hawkers India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
98	Saral Filtration Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
99	Embassy Stones Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
100	Lavl Automotive India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
101	R Tex Spin Mach Private Ltd.	Revenue and contract liabilities	Customer	-*	-*	-*	-*
102	Aarts Creative Studio Opc Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
103	K. P. Fabricators & Engineers (Gujarat) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
104	Mazda Agencies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
105	Manmohan Marketing Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
106	Vacatio Leisures Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
107	Fast Care India Pest Control Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 37 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
108	Fannar Exim Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
109	Microsidd India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
110	Infrawave Ites Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
111	Disti (India) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
112	Dia Overseas Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
113	Bizkraft Concepts Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
114	Primero Meditech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
115	Grey Box Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
116	Purofyhealth Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
117	Aplast International Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
118	Axiomata Elevators Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
119	Amruta Pharmaceutical Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
120	Luxorian Corporate Services Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
121	Tgs Vertical Transportation Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
122	Gdc Agro Foods Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
123	Purplepro It Solutions India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
124	Telesis Consultancy Services Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
125	Tot'Strunk Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
126	Goeco Solar Power Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
127	Vividha Arts Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
128	Striker Security Services Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
129	Heritage Manufacturing Company Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
130	Brivon Pharmatec Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
131	D1 Engineering And Constructions (Opc) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
132	Incon Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
133	Eleczio (Opc) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
134	Lunatic Craftwork Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
135	Akara Exim Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 37 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
136	Ovata Seal Construction Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
137	Dpass Multi Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
138	Strawsun Manufacture Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
139	Gintara Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
140	Solsun Power (Opc) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
141	Ashwanthana Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
142	Abba Cure & Care Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
143	Dream Success Inframart Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
144	We Sprout Landscapers (Opc) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
145	Ab Brothers Private Limited (Opc)	Revenue and contract liabilities	Customer	-*	-*	-*	-*
146	Nlive Electronics India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
147	Clarismart Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
148	Kings And Queens Impex Private Limited (Opc)	Revenue and contract liabilities	Customer	-*	-*	-*	-*
149	Majesty Aaron Elevators India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
150	Alfatech Thermal Engineers Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
151	Kagazi Crafts Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
152	Oum Sound & Acoustic Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
153	Seastar Watersport Products Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
154	Jingea Art Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
155	Naksh Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
156	Rrootofly Online Services Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
157	Rubicon Ro Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
158	Aqua Purity Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
159	Puran Associates Private Limited	-	Shareholders #	-	-	-	-
160	Avanti Realtors Private Limited	-	Shareholders #	-	-	-	-
161	Rishiroop Polymers Pvt Ltd	-	Shareholders #	-	-	-	-
162	Ratna Commercial Enterprises Pvt Ltd	-	Shareholders #	-	-	-	-

\* Less than INR 0.5 Millions.

# Shareholders means persons holding the securities of the company.

# Notes to Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT 2006:

	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

## 39 EVENTS AFTER THE REPORTING PERIOD

- The Company has evaluated all the subsequent events through 28 April 2022 which is the date on which these standalone financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the standalone financial statements.
- The company acquired 100% equity ownership in Busy Infotech Private Limited on 06 April 2022 for the aggregate consideration of INR 5,000 Million thereby becoming the wholly owned subsidiary of the Company.
- Dividend**  
Dividends declared by the Company are based on the profit available for distribution. On April 28 2022 the Board of Directors of the Company have proposed a final dividend of INR 2/- per share in respect of the year ended 31 March 2022.

As per our report of even date

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Independent Auditor's Report

To the Members of IndiaMART InterMESH Limited

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the consolidated financial statements of IndiaMART InterMESH Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income (loss)), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associates as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### DESCRIPTION OF KEY AUDIT MATTER

Revenue Recognition (See note 2.3(d) and 19 to the consolidated financial statements)	
The key audit matter	How the matter was addressed in our audit
<p>The Group generates revenue primarily from web services and follows a prepaid model for its business.</p> <p>Revenue from web services is recognised over the period of the contract as and when the Group satisfies performance obligations by actually rendering the promised services to its customers.</p> <p>These services are delivered using IT systems which manage very high volume on daily basis and generate reports from which the Group recognises revenue, and hence there is inherent risk around the existence and accuracy of revenue recognition.</p> <p>We have identified revenue recognition from web services as a key audit matter because of the significance of web service revenue to the financial statements and its recognition based on high volume of data generated by internal IT systems.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of the revenue recognition accounting policy and its compliance with applicable accounting standards.</li> <li>We evaluated the design and implementation of key internal financial controls and operating effectiveness of the relevant key controls with respect to existence and accuracy of revenue recognition on selected transactions.</li> <li>We, with the involvement of IT specialists, evaluated the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Group's IT systems which govern revenue recognition, including access controls, controls over program changes and interfaces between different systems.</li> <li>We selected a sample of transactions using statistical sampling and performed tests of details including reading the contract, identifying performance obligation and its link with actual rendition to assess whether the criteria for revenue recognition are met.</li> <li>We tested completeness and accuracy of web services revenue and collection from underlying relevant source documents generated by IT systems with accounting system.</li> <li>We assessed the adequacy of disclosures in the consolidated financial statements.</li> </ul>

### 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 Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, 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 CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income (loss), consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each 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 controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 appropriateness of this assumption. 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 consolidated 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 Group and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company 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 consolidated financial statements of the current period 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.

## OTHER MATTERS

- (a) We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of INR 863.09 Million as at 31 March 2022, total revenues (before consolidation

adjustments) of INR 34.80 Million and net cash outflows (before consolidation adjustments) amounting to INR 8.49 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income (loss)) of INR 97.83 Million for the year ended 31 March 2022, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the reports of the other auditors.

- (b) The consolidated financial statements also include the Group's share of net loss (and other comprehensive income (loss)) of INR 24.66 Million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of five associates, whose financial information have not been audited by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

## 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, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated 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 Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and two associate companies incorporated in India, and on the basis of written representations received by the management from directors of its five associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Further, the associate companies incorporated in India have been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.

- (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 Auditor's) Rules, 2014,

in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the "Other Matters" paragraph:

- a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its associates. Refer Note 36 to the consolidated financial statements.
- b) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.
- c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies or associate companies incorporated in India during the year ended 31 March 2022.
- d) (i) The respective Managements of the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in note 12(1) 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 Holding Company, its subsidiary companies or associate companies incorporated in India 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 Holding Company, its subsidiary companies or associate companies incorporated in India or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The respective Managements of the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in note 12(1) to the accounts, no funds have been received by the Holding Company, its subsidiary companies or associate companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiary companies or associate companies incorporated in India 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 Parties 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) The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act.

(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 and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The associate companies are private limited companies and accordingly the requirements as stipulated by the provisions of section 197 (16) are not applicable to the associate companies. The remuneration paid to any director by the Holding Company and its subsidiary companies 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.

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

Chartered Accountants

Firm's Registration No.101248W/W-100022

**Kanika Kohli**

Partner

Place: Gurugram

Date: 28 April 2022

Membership No. 511565

ICAI UDIN: 22511565AHZNMZ1987

## Annexure A to the Independent Auditor's Report on Consolidated Financial Statements

(Referred to in our report of even date)

(i) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the Holding company, subsidiary companies and one associate company, included in the consolidated financial statements.

The above does not include comments, if any, in respect of the following associate companies incorporated in India as the CARO report relating to them has not been issued by their auditors till the date of this audit report:

Name of the entities	CIN	Subsidiary/ JV/ Associate
Shipway Technology Private Limited	U72300HR2015PTC056319	Associate
Truckhall Private Limited	U60221WB2016PTC217183	Associate
Agillos E-Commerce Private Limited	U52300KA2016PTC092938	Associate
Edgewise Technologies Private Limited	U72200KA2015PTC078474	Associate
IB MonotaRO Private Limited	U52609DL2020PTC366962	Associate

According to the information and explanations given to us, in respect of one associate company incorporated in India, CARO is not applicable.

Name of the entity	CIN	Subsidiary/ JV/ Associate
Ten Times Online Private Limited	U72300DL2014PTC265480	Associate

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

Chartered Accountants

Firm's Registration No.101248W/W-100022

**Kanika Kohli**

Partner

Membership No. 511565

ICAI UDIN: 22511565AHZNMZ1987

Place: Gurugram

Date: 28 April 2022

## Annexure B to the Independent Auditor's report on the consolidated financial statements of IndiaMART InterMESH Limited for the year ended 31 March 2022

### REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

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

#### OPINION

In conjunction with our audit of the consolidated financial statements of IndiaMART InterMESH Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls 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 RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated

financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

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

Chartered Accountants

ICAI Firm registration No: 101248W/W-100022

**Kanika Kohli**

Partner

Place: Gurugram

Membership No. 511565

Date: 28 April 2022

ICAI UDIN: 22511565AHZNMZ1987



# Consolidated Balance Sheet

as at 31 March 2022

(Amount in ₹ million, unless otherwise stated)			
	Notes	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5A	30.62	22.31
Capital work in progress	5A	1.77	1.77
Right-of-use asset	5B	528.43	625.65
Intangible assets	6	1.59	2.71
Investment in associates	7	2,490.27	269.94
<b>Financial assets</b>			
(i) Investments	8	1,719.05	99.99
(ii) Loans	8	0.82	2.37
(iii) Others financial assets	8	39.22	38.72
Non-current tax assets (net)	18	233.96	186.60
Other non-current assets	9	40.95	17.46
<b>Total Non-current assets</b>		<b>5,086.68</b>	<b>1,267.52</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	8	23,007.65	22,174.36
(ii) Trade receivables	10	13.26	12.46
(iii) Cash and cash equivalents	11	495.47	401.19
(iv) Bank balances other than (iii) above	11	272.77	376.08
(v) Loans	8	448.39	709.25
(vi) Others financial assets	8	118.50	76.75
Current tax assets (net)	18	-	56.62
Other current assets	9	45.79	40.35
<b>Total Current assets</b>		<b>24,401.83</b>	<b>23,847.06</b>
<b>Total assets</b>		<b>29,488.51</b>	<b>25,114.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	305.53	303.16
Other equity	13	18,435.00	15,805.68
<b>Total Equity</b>		<b>18,740.53</b>	<b>16,108.84</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	15 (a)	462.39	525.67
Contract liabilities	17	3,316.20	2,584.75
Provisions	16	230.60	275.36
Deferred tax liabilities (net)	26	156.42	207.20
<b>Total Non-current liabilities</b>		<b>4,165.61</b>	<b>3,592.98</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	15 (a)	100.41	108.57
(ii) Trade payables	14	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		183.57	154.28
(iii) Other financial liabilities	15 (b)	203.00	201.40
Contract liabilities	17	5,754.18	4,676.26
Other current liabilities	17	290.93	223.82
Provisions	16	50.28	48.43
<b>Total Current liabilities</b>		<b>6,582.37</b>	<b>5,412.76</b>
<b>Total Liabilities</b>		<b>10,747.98</b>	<b>9,005.74</b>
<b>Total Equity and Liabilities</b>		<b>29,488.51</b>	<b>25,114.58</b>
Summary of significant accounting policies	2		

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

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)			
	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>INCOME:</b>			
Revenue from operations	19	7,534.85	6,695.62
Other income	20	1,121.94	865.84
<b>Total income</b>		<b>8,656.79</b>	<b>7,561.46</b>
<b>EXPENSES:</b>			
Employee benefits expense	21	2,675.52	2,052.13
Finance costs	22	54.02	66.63
Depreciation and amortisation expense	23	119.46	160.65
Other expenses	24	1,780.87	1,361.92
<b>Total expenses</b>		<b>4,629.87</b>	<b>3,641.33</b>
<b>Net profit before share of loss in associates and tax</b>		<b>4,026.92</b>	<b>3,920.13</b>
Share in net loss of associates		(122.49)	(26.60)
<b>Profit before tax</b>		<b>3,904.43</b>	<b>3,893.53</b>
<b>Income tax expense</b>			
Current tax	26	980.47	639.25
Deferred tax	26	(52.22)	347.32
Tax expense related to change in tax rate and law	26	-	109.22
<b>Total tax expense</b>		<b>928.25</b>	<b>1,095.79</b>
<b>Net profit for the year</b>		<b>2,976.18</b>	<b>2,797.74</b>
<b>Other comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gain/(losses) on defined benefit plans		4.50	(23.99)
Income tax effect		(1.44)	6.21
		3.06	(17.78)
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>3.06</b>	<b>(17.78)</b>
<b>Total comprehensive income for the year</b>		<b>2,979.24</b>	<b>2,779.96</b>
<b>Earnings per equity share:</b>			
Basic earnings per equity share (INR) - face value of INR 10 each		97.82	96.15
Diluted earnings per equity share (INR) - face value of INR 10 each		96.84	94.58
Summary of significant accounting policies	2		

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

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Consolidated Statement of changes in equity

for the year ended 31 March 2022

## (A) EQUITY SHARE CAPITAL (REFER NOTE 12)

(Amount in ₹ million, unless otherwise stated)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
<b>As at 1 April 2020</b>	<b>288.77</b>
Equity shares issued on exercise of ESOP during the year	0.67
Equity shares issued on Qualified Institutions Placement during the year (refer note 12(1))	12.42
Equity shares issued during the year to Indiamart Employee Benefit Trust (refer note 12(d))	1.35
Equity shares issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.05)
<b>As at 31 March 2021</b>	<b>303.16</b>
<b>As at 1 April 2021</b>	<b>303.16</b>
Equity shares issued on exercise of ESOP during the year (refer note 12)	0.28
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note 12(d))	1.73
Equity shares issued during the earlier year to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the year (refer note 12)	0.48
Equity shares issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.12)
<b>As at 31 March 2022</b>	<b>305.53</b>

## (B) OTHER EQUITY (REFER NOTE 13)

Particulars	Reserves and surplus					Total other equity
	Securities premium	General reserve	Employee share based payment reserve	Capital reserve	Retained earnings	
<b>Balance as at 1 April 2020</b>	<b>4,753.90</b>	<b>8.45</b>	<b>116.16</b>	<b>(2.04)</b>	<b>(2,414.67)</b>	<b>2,461.80</b>
Profit for the year	-	-	-	-	2,797.74	2,797.74
Other comprehensive loss for the year	-	-	-	-	(17.78)	(17.78)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,779.96</b>	<b>2,779.96</b>
Issue of equity shares on exercise of ESOP during the year	57.30	-	(51.30)	-	-	6.00
Issue of equity shares on Qualified Institutions Placement during the year (refer note 12(1))	10,499.57	-	-	-	-	10,499.57
Employee share based payment expense (Refer Note 21)	-	-	58.83	-	-	58.83
ESOP surrendered of subsidiary company	-	-	(25.83)	-	25.83	-
Adjustment for loss of control in Subsidiary	-	-	(0.48)	2.04	(2.04)	(0.48)
<b>Balance as at 31 March 2021</b>	<b>15,310.77</b>	<b>8.45</b>	<b>97.38</b>	<b>-</b>	<b>389.08</b>	<b>15,805.68</b>
<b>Balance as at 1 April 2021</b>	<b>15,310.77</b>	<b>8.45</b>	<b>97.38</b>	<b>-</b>	<b>389.08</b>	<b>15,805.68</b>
Profit for the year	-	-	-	-	2,976.18	2,976.18
Other comprehensive income for the year	-	-	-	-	3.06	3.06
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,979.24</b>	<b>2,979.24</b>
Issue of equity shares on exercise of share based awards during the year	72.46	-	(69.95)	-	-	2.51
Employee share based payment expense (Refer Note 21)	-	-	102.73	-	-	102.73
Final dividend paid (INR 15/- per share for financial year ended 31 March 2021)	-	-	-	-	(455.16)	(455.16)
<b>Balance as at 31 March 2022</b>	<b>15,383.23</b>	<b>8.45</b>	<b>130.16</b>	<b>-</b>	<b>2,913.16</b>	<b>18,435.00</b>

Profit of INR 3.06 Mns and loss of INR 17.78 Mns on remeasurement of defined employee benefit plans(net of tax) is recognised as a part of retained earnings for year ended 31 March 2022 and 31 March 2021, respectively.

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

As per our report of even date

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

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

Place: Gurugram  
Date: 28 April 2022

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

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

**Prateek Chandra**  
(Chief Financial Officer)

Place: Noida  
Date: 28 April 2022

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

**Manoj Bhargava**  
(Company Secretary)

# Consolidated Statement of Cash Flows

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>PROFIT BEFORE TAX</b>	3,904.43	3,893.53
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortisation expense	23 119.46	160.65
Interest, dividend and other income	20 (60.87)	(37.71)
Gain on de-recognition of Right-of-use assets	20 (1.76)	(10.02)
Provisions and liabilities no longer required written back	(7.30)	(22.93)
Gain/(loss) on investments carried at fair value through profit and loss	20 (1,030.24)	(793.52)
- Fair value gain on measurement and income from sale of mutual funds, bonds, debentures, units of investment trust and alternative investment funds		
- Fair value gain on measurement of Investment in other entities	(7.72)	-
Gain on disposal of property, plant and equipment	20 (1.56)	(1.66)
Finance costs	22 54.02	66.63
Allowances for doubtful debts	0.72	-
Share-based payment expense	21 102.73	58.83
Share of net loss of associates	122.49	26.60
Loss on change of control of a subsidiary converted into an associate	-	2.04
	<b>3,194.40</b>	<b>3,342.44</b>
<b>Changes in:</b>		
Trade receivables	(1.51)	2.64
Other financial assets	(62.31)	(2.34)
Other assets	(5.20)	9.89
Other financial liabilities	1.62	(42.16)
Trade payables	29.29	(21.00)
Contract liabilities	1,809.37	416.23
Provisions and other liabilities	28.70	107.74
<b>Cash generated from operations</b>	<b>4,994.36</b>	<b>3,813.44</b>
Income tax paid (net)	(971.22)	(588.41)
<b>Net cash generated from operating activities</b>	<b>4,023.14</b>	<b>3,225.03</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	1.81	3.44
Purchase of property, plant and equipment, other intangible assets and capital advances	(44.18)	(0.34)
Purchase of current investments	(27,543.20)	(15,528.19)
Inter-corporate deposits placed with financial institutions	(437.03)	(701.91)
Redemption of inter-corporate deposits placed with financial institutions	721.60	-
Proceeds from sale of current investments	27,623.65	2,850.76
Interest and dividend received	174.55	32.84
Refund of refundable security deposits for listing on stock exchange.	-	23.78
Investment in bank deposits (includes earmarked balances with bank) (having original maturity of more than three months)	(274.66)	(12.11)
Redemption of bank deposits	377.97	54.59
Investment in associates and other entities	(3,954.16)	(99.98)
Proceeds from sale of dilution of Stake, net of cash paid	-	0.90
<b>Net cash used in investing activities</b>	<b>(3,353.65)</b>	<b>(13,376.22)</b>

# Consolidated Statement of Cash Flow

for the year ended 31 March 2022

Notes	(Amount in ₹ million, unless otherwise stated)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(71.02)	(55.42)
Interest paid on lease liabilities	(54.02)	(66.63)
Dividend paid	(455.05)	(14.91)
Proceeds from issue of equity shares on Qualified Institutional Placement	-	10,511.99
Proceeds from issue of equity shares on exercise of share based awards	4.88	7.97
<b>Net cash (used in) generated from financing activities</b>	<b>(575.21)</b>	<b>10,383.00</b>
<b>Net increase in cash and cash equivalents</b>	<b>94.28</b>	<b>231.81</b>
Cash and cash equivalents at the beginning of the year	11	<b>401.19</b>
<b>Cash and cash equivalents at the end of the year</b>	11	<b>495.47</b>
Summary of significant accounting policies	2	

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

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

Chartered Accountants

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

**Kanika Kohli**

Partner

Membership No.: 511565

Place: Gurugram

Date: 28 April 2022

For and on behalf of the Board of Directors of

**IndiaMART InterMESH Limited**
**Dinesh Chandra Agarwal**

(Managing Director &amp; CEO)

DIN: 00191800

**Prateek Chandra**

(Chief Financial Officer)

Place: Noida

Date: 28 April 2022

**Brijesh Kumar Agrawal**

(Whole-time Director)

DIN: 00191760

**Manoj Bhargava**

(Company Secretary)

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

## 1. CORPORATE INFORMATION

IndiaMART Intermesh Limited ("the Company" or "the Parent Company") is a public company domiciled in India and was incorporated on 13 September 1999 under the provisions of the Companies Act applicable in India. The company and its consolidated subsidiaries (hereinafter collectively referred to as "the Group") is engaged in e-marketplace for business needs, which acts as an interactive hub for domestic and international buyers and suppliers. The registered office of the Company is located at 1<sup>st</sup> Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The consolidated financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 28 April 2022.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The consolidated 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);
- share-based payments
- net defined benefit (asset)/liability - Fair value of plan assets less present value of defined benefit obligations.

The preparation of these consolidated 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 Group's accounting policies. The areas where estimates

are significant to the consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

### 2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and associates as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Group subsidiaries and associates are as follows:

S. No.	Name of subsidiaries and Associates and date of shareholding	Proportion of ownership interest as at 31 March, 2022	Proportion of ownership interest as at 31 March 2021
1	Tradezeal Online Private Limited (from May 31, 2005) (formerly Known as Tradezeal International Limited)	100.00%	100.00%
2	Hello Trade Online Private Limited (from July 03, 2008)	100.00%	100.00%
3	Ten Times Online Private Limited (associate with effect from 1 September 2020)	30.00%	100.00%
4	Tolexo Online Private Limited (from May 28, 2014)	100.00%	100.00%
5	Pay With IndiaMART Private Limited (from February 7, 2017)	100.00%	100.00%
6	Simply Vyapar Apps Private Limited (from February 22, 2022)	27.00% (on Fully diluted basis)	26.00% (on Fully diluted basis)
7	Truckhall Private Limited (from June 5, 2021)	25.02% (on Fully diluted basis)	-
8	Shipway Technologies Private Limited (from April 29, 2021)	26.00% (on Fully diluted basis)	-
9	Agillos E-Commerce Private Limited (from August 13, 2021)	26.23% (on Fully diluted basis)	-
10	Edgewise Technologies Private Limited (from February 4, 2022)	26.01% (on Fully diluted basis)	-
11	IB Monotaro Private Limited (from March 3, 2022)	26.00% (on Fully diluted basis)	-



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year/quarter are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2022 since the Group's subsidiaries and associate have the same reporting period end.

## Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the

parent of the Group and to the non-controlling interests, if any, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill, if any) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

## 2.3 Summary of significant accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by all the group entities, to all the periods presented in these consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

### a) Statement of Compliance

The consolidated financial statements for the year ended 31 March 2022 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 million as per the requirement of Schedule III, unless otherwise stated.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

## b) Current versus non-current classification

The Group 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- A 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 Group classifies all other liabilities as non-current.

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

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

## c) Fair value measurement

The Group measures financial instruments, such as Investment in equity/preference/debt instrument of other entities, Investment in mutual funds, bonds, debentures, units of alternative investment funds and investment trust 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:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their 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 Group 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 consolidated 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:

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

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

For assets and liabilities that are recognised in the consolidated financial statements on fair value on a recurring basis, the Group 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.

The Group's management determines the policies and procedures for recurring fair value measurement, such as investment in equity/preference/debt instruments of other entities measured at fair value.

External valuers are involved for valuation of significant assets, such as unquoted investments in equity/preference/ debt instruments of other entities. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group 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 the 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 29)

## d) Revenue from contracts with customers and other income

Revenue from contracts with customers

The Group is primarily engaged in providing web 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 Group expects to be entitled in exchange for those services and excluding taxes or duties collected on behalf of the government.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

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

### Rendering of services

Revenue from web services is recognised based on output method i.e. pro-rata over the period of the contract as and when the Group satisfies performance obligations by transferring the promised services to its customers. Revenues from lead based services is recognised based on output method i.e. as and when leads are consumed by the customer or on the expiry of contract whichever is earlier. Activation revenue is amortised over the estimated customer relationship period.

Advertising revenue is derived from displaying web based banner ads and sale of online advertisements

Revenue from banner advertisement is recognised pro rata over the period of display of advertisement as per contract. Revenue from sale of online advertisements is recognised based on output method and the Group applies the practical expedient to recognize advertising revenue in the amount to which the Group has a right to invoice.

### Contract balances

#### Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section m) Financial instruments.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

is recognised. The Group recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue and advances from customers in the balance sheet. The unaccrued amounts are not recognised as revenue till all related performance obligation are fulfilled. The Group generally receives transaction price in advance for contracts with customers that run up for more than one year. The transaction price received in advance does not have any significant financing component as the difference between the promised consideration and the cash selling price of the service arises for reasons other than the provision of finance.

### Other income

#### Interest income

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Group 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.

### Dividends

Dividend is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

## e) Property, plant and equipment

Capital work in progress and 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 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 Group 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 Group has adopted component accounting as required under Schedule II to the Companies Act, 2013. The Group identifies the components separately, if it has useful life different from the respective property, plant and equipment.

Based on the analysis, Group believes that it does not have any asset having useful life of its major components different from the property, plant and equipment, hence Group believes that there is no material impact on the financial statement of the Group 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 Group 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%
Vehicles	31.23%

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.

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 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.

## f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

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

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.

Unique telephone numbers are amortised on a written down value basis at 40% annually.

Intangibles being Software acquired by the Group are amortised on a written down value basis at 40% annually.

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 capital work- in-progress.

## g) Leases (as lessee)

The Group's lease asset classes primarily consist of leases for buildings. The Group 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 group assesses whether: (1) the contact involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Leases for which the group 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 Group 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,

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

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 Group 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.

Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were recognised in finance costs in the statement of profit or loss.

A ROU asset was depreciated over the useful life of the asset. However, if there was no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset was depreciated over the shorter of the estimated useful life of the asset and the lease term.

## h) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or, a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in an associate is initially recognised in the consolidated

balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

## i) Impairment of non-financial assets

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

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 Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, 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.

For properties previously revalued the impairment is recognised in OCI up to the amount of any previous revaluation surplus recognised through OCI. 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 Group 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.

## j) 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 (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.

### 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.
- In respect of taxable temporary differences associated with investments in subsidiaries,

# Notes to Consolidated Financial Statements

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when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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 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.

Sales/ value added taxes/ Service tax/ Goods and service tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/ 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.

## k) Provisions and contingent liabilities

### Provisions

Provisions are recognised when the Group 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 Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

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 Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

## l) 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 other current financial liabilities in the balance sheet.

### Post-employment obligations

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group 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 Group 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 Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group 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 Group 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 Group 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 Group 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.

## m) Share-based payments

Employees of the Group also receive remuneration in the form of stock options (ESOP) and stock appreciation rights (SAR) as a share based payment transactions under the Group's Employee stock option plan and Employee stock benefit scheme. Both of these are equity settled share based payment transactions.

# Notes to Consolidated Financial Statements

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The cost of equity settled transactions is determined based on fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity settled transaction at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair

value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## n) 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 Group 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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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



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for the year ended 31 March 2022

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. For more information on receivables, refer to Note 29.

## Debt instruments at FVTOCI

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- 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 other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. 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 Group 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').

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 Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

## Impairment of financial assets

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

- Financial assets that are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- 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 115

The Group 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 Group to track changes in credit risk.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

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 Group 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 Group 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 Group 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 OCI.

For assessing increase in credit risk and impairment loss, the Group 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 Group's financial liabilities include trade payables, security deposits 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.



# Notes to Consolidated Financial Statements

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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 Group 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.

## 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.

## 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.

## o) Foreign currency transactions

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

## Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group 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).

## p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. 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 year. The weighted average number of equity shares outstanding during the year 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.

## q) 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

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

or less, which are subject to an insignificant risk of changes in value.

## r) Segment reporting

### Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's activities of providing e-marketplace services for businesses is considered to be a single business segment. The analysis of geographical segments is based on the areas in which customers are based.

### Segment policies:

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

## s) Share Capital

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

## t) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

## u) Recently issued accounting pronouncements

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1<sup>st</sup> April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Ind AS 16 Property, Plant and Equipment – For items produced during testing/trail phase, clarification added that revenue generated out of the same shall not be recognised in Statement Of Profit and Loss and considered as part of cost of PPE.

- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

- Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

- Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The Company is currently evaluating the impact of these amendment on its consolidated financial statements.

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of consolidated 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 year, are described below. The Group has based its assumptions and estimates on parameters available when the consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

## a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability, the Group considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity,

# Notes to Consolidated Financial Statements

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

## b) Share based payment

The Group initially measures the cost of equity-settled transactions with employees using a Black-Scholes-Merton option pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option and SAR units, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 28.

## c) Impairment of Non- financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model or other fair value valuation models. In DCF model, the cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group 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.

## d) 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. Those mortality tables tend to change only at intervals 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 27.

## e) Fair value measurement of financial instruments

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. See Note 29 and 31 for further disclosures.

## f) 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

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value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed at each financial year end.

## g) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

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

The Group revises the lease term if there is a change in the non-cancellable period of a lease

The 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.

## 4. IMPACT OF COVID-19

The Group has taken into account all the possible impacts of COVID-19 in preparation of these consolidated 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, impact on leases, impact on investment in associates and investment in other entities. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial statements and believes that the impact of COVID-19 is not material to these consolidated financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of COVID-19.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 5A PROPERTY, PLANT AND EQUIPMENT

	Computers	Office equipment	Furniture and fixtures	Motor vehicles	Total Property, plant and equipment	Capital work in progress (refer note below)
<b>Gross carrying amount</b>						
<b>As at 1 April 2020</b>	<b>127.87</b>	<b>52.63</b>	<b>5.75</b>	<b>3.80</b>	<b>190.05</b>	<b>1.77</b>
Additions for the year	0.11	0.23	-	-	0.34	-
Adjustment for loss of control in Subsidiary	(3.81)	(0.24)	(0.03)	-	(4.08)	-
Disposals for the year	(11.15)	(3.53)	(1.69)	-	(16.37)	-
<b>As at 31 March 2021</b>	<b>113.02</b>	<b>49.09</b>	<b>4.03</b>	<b>3.80</b>	<b>169.94</b>	<b>1.77</b>
Additions for the year	20.28	0.14	-	-	20.42	-
Disposals for the year	(17.72)	(0.55)	-	(0.02)	(18.29)	-
<b>As at 31 March 2022</b>	<b>115.58</b>	<b>48.68</b>	<b>4.03</b>	<b>3.78</b>	<b>172.07</b>	<b>1.77</b>
<b>Accumulated depreciation</b>						
<b>As at 1 April 2020</b>	<b>101.07</b>	<b>31.74</b>	<b>3.45</b>	<b>2.03</b>	<b>138.29</b>	<b>-</b>
Charge for the year	16.25	9.30	0.52	0.56	26.63	-
Adjustment for loss of control in Subsidiary	(2.53)	(0.16)	(0.01)	-	(2.70)	-
Disposals during the year	(11.00)	(2.59)	(1.00)	-	(14.59)	-
<b>As at 31 March 2021</b>	<b>103.79</b>	<b>38.29</b>	<b>2.96</b>	<b>2.59</b>	<b>147.63</b>	<b>-</b>
Charge for the year	6.31	4.87	0.30	0.38	11.86	-
Disposals during the year	(17.59)	(0.43)	-	(0.02)	(18.04)	-
<b>As at 31 March 2022</b>	<b>92.51</b>	<b>42.73</b>	<b>3.26</b>	<b>2.95</b>	<b>141.45</b>	<b>-</b>
<b>Net book value</b>						
<b>As at 1 April 2020</b>	<b>26.80</b>	<b>20.89</b>	<b>2.30</b>	<b>1.77</b>	<b>51.76</b>	<b>1.77</b>
<b>As at 31 March 2021</b>	<b>9.23</b>	<b>10.80</b>	<b>1.07</b>	<b>1.21</b>	<b>22.31</b>	<b>1.77</b>
<b>As at 31 March 2022</b>	<b>23.07</b>	<b>5.95</b>	<b>0.77</b>	<b>0.83</b>	<b>30.62</b>	<b>1.77</b>

### Notes:

- Capital work in progress represents the amount incurred on construction of boundary wall for leasehold land (refer note 5B for details related to leasehold land).

## 5B RIGHT-OF-USE ASSETS

	Leasehold land (Refer Note 1 below)	Buildings	Total
<b>Gross carrying amount</b>			
<b>As at 1 April 2020</b>	<b>37.12</b>	<b>929.83</b>	<b>966.95</b>
Additions for the year	-	26.82	26.82
Disposals for the year	-	(122.10)	(122.10)
<b>As at 31 March 2021</b>	<b>37.12</b>	<b>834.55</b>	<b>871.67</b>
Additions for the year	-	20.25	20.25
Disposals for the year	-	(20.20)	(20.20)
<b>As at 31 March 2022</b>	<b>37.12</b>	<b>834.60</b>	<b>871.72</b>
<b>Accumulated depreciation</b>			
<b>As at 1 April 2020</b>	<b>1.84</b>	<b>165.40</b>	<b>167.24</b>
Depreciation for the year	0.46	131.50	131.96
Disposals for the year	-	(53.18)	(53.18)
<b>As at 31 March 2021</b>	<b>2.30</b>	<b>243.72</b>	<b>246.02</b>
Depreciation for the year	0.46	106.00	106.46
Disposals for the year	-	(9.19)	(9.19)
<b>As at 31 March 2022</b>	<b>2.76</b>	<b>340.53</b>	<b>343.29</b>
<b>Net book value</b>			
<b>As at 1 April 2020</b>	<b>35.28</b>	<b>764.43</b>	<b>799.71</b>
<b>As at 31 March 2021</b>	<b>34.82</b>	<b>590.83</b>	<b>625.65</b>
<b>As at 31 March 2022</b>	<b>34.36</b>	<b>494.07</b>	<b>528.43</b>

### Notes:

- As per the terms of the lease arrangement, the Company was required to complete the construction of building within a defined time from the date of handing over the possession. The Company had obtained extension for construction of building on the leasehold land till 5 July 2021 and is in the process of obtaining further extension.
- The Company incurred INR 3.68 Million for the year ended 31 March 2022 (31 March 2021: INR 13.70 Million) respectively, towards expenses relating to short-term leases and leases of low-value assets.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

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

	As at 31 March 2022	As at 31 March 2021
Within one year	131.90	132.22
Within one - two years	134.05	130.34
Within two - three years	122.47	130.63
Within three - five years	224.40	229.82
Above five years	122.01	238.29
<b>Total lease payments</b>	<b>734.83</b>	<b>861.30</b>

The reconciliation of lease liabilities is as follows:

	As at 31 March 2022	As at 31 March 2021
Opening balance	634.24	765.10
Additions	19.33	26.44
Amounts recognized in statement of profit and loss as interest expense	54.02	66.63
Payment of lease liabilities	(124.85)	(122.05)
Derecognition	(12.78)	(78.95)
Liabilities no longer required written back	(7.16)	(22.93)
Balance as at year end (Refer Note 15)	<b>562.80</b>	<b>634.24</b>

## 6 INTANGIBLE ASSETS

	Software	Unique telephone numbers	Total
<b>Gross carrying amount</b>			
<b>As at 1 April 2020</b>	<b>15.14</b>	<b>4.70</b>	<b>19.84</b>
Adjustment for loss of control in Subsidiary	(0.09)	-	(0.09)
<b>As at 31 March 2021</b>	<b>15.05</b>	<b>4.70</b>	<b>19.75</b>
Additions	0.02	-	0.02
<b>As at 31 March 2022</b>	<b>15.07</b>	<b>4.70</b>	<b>19.77</b>
<b>Accumulated depreciation</b>			
<b>As at 1 April 2020</b>	<b>10.91</b>	<b>4.10</b>	<b>15.01</b>
Amortisation for the year	1.82	0.24	2.06
Adjustment for loss of control in Subsidiary	(0.03)	-	(0.03)
<b>As at 31 March 2021</b>	<b>12.70</b>	<b>4.34</b>	<b>17.04</b>
Amortisation for the year	0.99	0.15	1.14
<b>As at 31 March 2022</b>	<b>13.69</b>	<b>4.49</b>	<b>18.18</b>
<b>As at 1 April 2020</b>	<b>4.23</b>	<b>0.60</b>	<b>4.83</b>
<b>As at 31 March 2021</b>	<b>2.35</b>	<b>0.36</b>	<b>2.71</b>
<b>As at 31 March 2022</b>	<b>1.38</b>	<b>0.21</b>	<b>1.59</b>



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 7 INVESTMENT IN ASSOCIATES- UNQUOTED

	As at 31 March 2022		As at 31 March 2021	
	No. of units	Amount	No. of units	Amount
<b>(Accounted under equity method)</b>				
<b>Fully paid up - at cost</b>				
Compulsory convertible preference shares of INR 100 each (at premium of INR 52,217.90 each) in Simply Vyapar Apps Private Limited (Refer Note 1 below)	5,954	311.50	5,954	311.50
Equity shares of INR 10 each (at premium of INR 52,307.90 each) in Simply Vyapar Apps Private Limited	10	0.52	10	0.52
Add: Investment made during the year (Compulsory convertible preference shares of INR 100 each and premium of INR 2,90,261 each) (Refer Note 1 below)	1,809	525.26	-	-
Add: Investment made during the year (Equity shares of INR 10 each and premium of INR 2,03,242 each) (Refer Note 1 below)	444	90.24	-	-
Less: Share of loss of associate		(139.91)		(42.08)
Equity shares of INR 10 each in Ten Times Online Private Limited		0.93		0.93
Less: Share of loss of associate		(0.93)		(0.93)
Compulsory convertible preference shares of INR 10 each (at premium of INR 7,467 each) in Truckhall Private Limited (Refer Note 2 below)	12,846	96.05	-	-
Equity shares of INR 10 each (at premium of INR 7,467 each) in Truckhall Private Limited	1,879	14.05	-	-
Less: Share of loss of associate		(9.12)		-
Compulsory convertible preference shares of INR 10 each (at premium of INR 43,446 each) in Shipway Technology Private Limited (Refer Note 2 below)	4,088	177.65	-	-
Equity shares of INR 10 each (at premium of INR 43,446 each) in Shipway Technology Private Limited	100	4.35	-	-
Less: Share of loss of associate		(6.22)		-
Compulsory convertible preference shares of INR 10 each (at premium of INR 60,311 each) in Agillos E-Commerce Private Limited (Refer Note 2 below)	2,694	162.50	-	-
Equity shares of INR 10 each (at premium of INR 43,497 each) in Agillos E-Commerce Private Limited	2,241	97.50	-	-
Less: Share of loss of associate		(5.11)		-
Compulsory Convertible Preference Shares of INR 10 each (at premium of INR 27,314 each) in Edgewise Technologies Private Limited (Refer Note 2 below)	4,784	130.72	-	-
Equity Shares of INR 10 each (at premium of INR 27,314 each) in Edgewise Technologies Private Limited (Refer Note 2 below)	100	2.73	-	-
Less: Share of loss of associate		(0.04)		-
Equity shares of INR 10 each (at premium of INR 1,274.15 each) in IB Monotaro Private Limited (Refer Note 2 below)	811,250	1,041.77	-	-
Less: Share of loss of associate		(4.17)		-
		<b>2,490.27</b>		<b>269.94</b>

### Notes:

- During the year ended 31 March 2022, the Group has further invested INR 615.50 Million in Simply Vyapar Apps Private Limited thereby increasing the ownership to 27.00% on fully converted and diluted basis.
- During the year ended 31 March 2022, the Group has made investments in Truckhall Private Limited, Shipway Technology Private Limited, Agillos E-Commerce Private Limited, Edgewise Technologies Private Limited and IB Monotaro Private Limited. Considering the percentage of ownership and board representation rights of the group, these investments were classified as associates.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS

### i) Investments

	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
a) Investment in other entities at FVTPL	1,719.05	99.99
	<b>1,719.05</b>	<b>99.99</b>
<b>Current</b>		
Investment in mutual funds at FVTPL	15,744.84	21,703.80
Investment in bonds and debentures at FVTPL	6,832.57	470.56
Invesments in Investment Trust- Quoted (measured at FVTPL)	327.63	-
Invesments in Alternative investment funds at FVTPL	102.61	-
	<b>23,007.65</b>	<b>22,174.36</b>

### a) Non-current investments

#### Investment in others entities

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Unquoted (measured at FVTPL)</b>				
<b>Instant Procurement Services Private Limited</b>				
Equity shares held of INR 10 each in Instant Procurement Services Private Limited	5,500	-	5,500	-
0.001% Optionally convertible redeemable preference share of INR 10 each	12,446	-	12,446	-
0.001% Compulsorily convertible preference share of INR 10 each	3,764	-	3,764	-
<b>Mobisy Technologies Private Limited</b>				
Compulsory convertible preference shares of INR 1 each (at premium of INR 776 each)	128,593	99.92	1,28,593	99.92
Equity shares of INR 1 each (at premium of INR 776 each)	100	0.07	100	0.07
Add : Investment in Compulsory convertible preference shares of INR 837 each during the year (Refer note 2 below)	119,474	100.00	-	-
Add : Investment in Equity shares of INR 1 each (at premium of INR 837 each) during the year (Refer note 2 below)	17,750	14.86	-	-
Fair value gain recognised through profit and loss during the year		7.72		-
<b>Legistify Services Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 5,132.68 each)	1,146	5.89	-	-
Compulsory convertible preference shares of INR 10 each (at premium of INR 4,104.14 each)	1,580	6.50	-	-
Equity shares of INR 10 each (at premium of INR 5,132.68 each)	100	0.51	-	-
Compulsory convertible debentures of INR 1000 each (Refer note 3 below)	75,000	75.00	-	-
<b>Mynd Solutions Private Limited</b>				
Equity shares of INR 10 each (at premium of INR 87.21 each) (Refer Note 4 below)	3,336,489	324.34	-	-
<b>Zimyo Consulting Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 86,306.32/- each) (Refer Note 5 below)	1,870	161.41	-	-
Equity shares of INR 10 each (at premium of INR 86,306.32/- each) (Refer Note 5 below)	100	8.63	-	-
<b>Fleetx Technologies Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 67,420/- each) (Refer Note 6 below)	10,323	696.08	-	-
Equity shares of INR 10 each (at premium of INR 57,315/- each) (Refer Note 6 below)	3,805	218.12	-	-
		<b>1,719.05</b>		<b>99.99</b>
<b>Total non-current investments</b>		<b>1,719.05</b>		<b>99.99</b>

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS (Contd.)

### Notes:

- The Group has invested in convertible preference shares of companies. Based on the terms, these have been classified as financial instrument in the nature of financial assets to be measured at fair value through profit-and-loss.
- During the year ended 31 March 2022, the Group has further invested INR 114.86 Million in Mobisy Technologies Private Limited thereby increasing the equity ownership to 15.98% on fully converted and diluted basis. This investment has continued to be classified as "Investment at FVTPL" as per Ind-AS 109.
- During the year ended 31 March 2022, the Group acquired 11.01% equity ownership on fully converted and diluted basis in Legistify Services Private Limited at the aggregate consideration of INR 87.90 Million, out of which 75 Million has been invested in Compulsory Convertible Debentures. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.
- During the year ended 31 March 2022, the Company has acquired 7.70% equity ownership on fully converted and diluted basis in Mynd Solutions Private Limited at the aggregate consideration of INR 324.34 Million. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.
- During the year ended 31 March 2022, the Company has acquired 10.00% interest on fully converted and diluted basis in Zimyo consulting Private Limited at the aggregate consideration of INR 170.04 Million. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.
- During the year ended 31 March 2022, the Company has acquired 16.53% interest on fully converted and diluted basis in Fleetx Technologies Private Limited at the aggregate consideration of INR 914.20 Million. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.

### b) Current investments

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Investment in mutual funds - Quoted (measured at FVTPL)</b>				
Aditya Birla Sunlife Short-Term Fund-Growth Regular Plan	-	-	2,599,874	95.06
Aditya Birla Sunlife Short-Term Fund-Growth-Direct Plan	5,765,040	233.71	21,181,794	814.54
Aditya Birla Sunlife Corporate Bond Fund - Growth-Regular Plan	6,508,526	587.00	6,508,526	559.11
Aditya Birla Sun Life Corporate Bond Fund-Growth-Direct Plan	10,264,505	936.18	4,570,414	396.40
Aditya Birla Sun Life Money Manager Fund - Direct	-	-	3,498,589	1,004.69
Aditya Birla Sun Life Savings Fund - Direct Growth	-	-	2,764,954	1,180.18
Aditya Birla sun life Banking PSU & Debt Fund-Direct	-	-	-	-
Aditya Birla sun Life Overnight fund-Direct Growth	369,605	424.93	-	-
Axis Ultra Short Term Fund - Direct Growth	-	-	41,966,039	502.05
Axis Banking & PSU Debt Fund-Direct-Growth	-	-	-	-
Bharat Bond ETF April-2023	400,000	467.94	400,000	446.50
Bharat Bond ETF April-2025	379,992	411.48	149,992	153.71
Edelweiss Arbitrage Fund Direct- Growth	43,664,568	719.74	-	-
Edelweiss NIFTY PSU Bond Plus SDL Index F 2026 Direct Growth	47,476,047	509.92	-	-
HDFC Short Term Debt Fund-Direct Growth Plan	5,205,920	136.49	17,712,429	441.87
HDFC Short Term Debt Fund - Regular Plan	693,662	17.82	8,380,984	205.90
HDFC Low Duration Fund -Regular Plan-Growth	-	-	3,797,410	170.92
HDFC Low Duration Fund - Direct Plan-Growth	24,968,530	1,243.14	12,035,204	572.57
HDFC Money Market Fund - Direct Growth	257,730	1,199.68	226,818	1,014.77
HDFC Ultra Short Term Fund - Direct Growth	100,961,709	1,253.22	100,961,709	1,205.42
ICICI Prudential Savings Fund- Direct Plan-Growth	3,860,607	1,689.84	2,583,184	1,084.13
ICICI Prudential Short-Term Fund - Direct	14,101,249	719.80	20,802,151	1,011.38
ICICI Prudential Short-Term Fund - Regular	393,503	18.80	3,606,276	165.40
ICICI Prudential Money Market Fund - Direct Growth	-	-	3,129,563	924.09
ICICI Prudential Equity Arbitrage Fund-Direct Growth	37,337,769	1,093.64	-	-
IDFC Low Duration Fund-Growth- Direct Plan	15,216,251	484.79	36,439,105	1,117.14
IDFC Bond Fund - Short-Term Plan- Direct Growth Plan	7,006,559	343.30	8,167,105	382.73
IDFC Banking & PSU Debt Fund - Direct - Growth	-	-	34,010,628	664.58

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS (Contd.)

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
IDFC Corporate Bond Fund - Direct - Growth Plan	-	-	7,922,353	120.96
IDFC Ultra Short Term Fund - Direct-Growth Plan	-	-	36,591,465	438.04
Kotak Corporate Bond Fund - Direct Growth Plan	198,665	622.39	328,929	981.73
Kotak Money Market Fund - Direct Growth	-	-	384,544	1,339.67
Kotak Savings Fund - Direct Growth	-	-	28,948,565	1,004.02
Kotak Equity Arbitrage Fund-Direct Growth	42,749,473	1,353.83	-	-
L&T Short term bond fund-Direct Growth Plan	-	-	37,122,589	803.71
L&T Short-Term Bond Fund - Regular Growth	-	-	20,066,239	418.18
Nippon India Floating Rate Fund Direct Growth	26,960,879	1,017.62	-	-
SBI Corporate Bond Fund - Direct - Growth Plan	-	-	7,021,759	85.77
SBI Magnum Ultra Short Duration Fund - Direct Growth	-	-	212,720	1,003.82
SBI ETF Nifty 50 - Direct	1,450,000	259.58	-	-
SBI Savings Fund - Direct Growth	-	-	34,943,576	1,194.92
SBI Liquid Fund- Direct - Growth Plan	-	-	62,030	199.84
<b>Total</b>		<b>15,744.84</b>		<b>21,703.80</b>
<b>Investment in bonds and debentures- Quoted (measured at FVTPL)</b>				
Axis Bank Perpetual Bond	150	161.08	-	-
Bajaj Finance bond	200	201.02	-	-
Canara Bank perpetual bond	20	202.46	-	-
Export Import Bank Of India Bond	200	200.14	-	-
HDFC bank Perpetual Bond	400	432.94	350	381.87
HDFC 2023 Coupon Bond	650	661.72	-	-
ICICI Bank Perpetual Bond	-	-	80	88.69
India Infradebt fund NCD	100	100.72	-	-
IRFC Perpetual Bond	250	255.97	-	-
LIC Housing Finance Bond	500	515.77	-	-
NABARD Bond	1,150	1,159.17	-	-
Piramal Enterprise Debentures (Market linked)	180	187.79	-	-
PNB perpetual Bond	10	101.85	-	-
Power Grid Corporation of India Limited Bond	55	75.14	-	-
REC Bond	595	643.83	-	-
SBI Perpetual Bond	50	515.16	-	-
Shriram Transport Debentures (Market linked)	100	107.81	-	-
SBI Coupon Bond	500	508.15	-	-
SIDBI Bond	650	650.74	-	-
Union Bank Perpetual Bond	15	151.11	-	-
<b>Total</b>		<b>6,832.57</b>		<b>470.56</b>
<b>Invesments in Investment Trust- Quoted (measured at FVTPL)</b>				
Powergrid Infrastructure InviT	2,446,824	327.63	-	-
<b>Invesments in Alternative investment funds-Quoted (measured at FVTPL)</b>				
ICICI Prudential Long Short Fund – Series I	999,950	102.61	-	-
<b>Total current investments</b>		<b>23,007.65</b>		<b>22,174.36</b>
<b>Aggregate book value of quoted investments</b>		<b>23,007.65</b>		<b>22,174.36</b>
<b>Aggregate market value of quoted investments</b>		<b>23,007.65</b>		<b>22,174.36</b>
<b>Aggregate carrying value of unquoted investments</b>		<b>1,719.05</b>		<b>99.99</b>

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 8 FINANCIAL ASSETS (Contd.)

### c) Loans (measured at amortised cost)

	As at 31 March 2022	As at 31 March 2021
<b>(i) Loans</b>		
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Loans to employees**	0.82	2.37
	<b>0.82</b>	<b>2.37</b>
<b>Current (unsecured, considered good unless stated otherwise)</b>		
Inter-corporate deposits*		
-HDFC Limited	-	501.28
-LIC Housing Finance Limited	417.35	200.63
Loans to employees **	31.04	7.34
	<b>448.39</b>	<b>709.25</b>
<b>Total loans</b>	<b>449.21</b>	<b>711.62</b>

#### Notes:

\*Inter-corporate deposits placed with financial institutions yield fixed interest rate.

\*\*Represent interest free loans to employees, which are recoverable in maximum 24 monthly instalments.

### d) Others (measured at amortised cost)

	As at 31 March 2022	As at 31 March 2021
<b>Others (measured at amortised cost)</b>		
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Security deposits	39.22	38.72
<b>Total</b>	<b>39.22</b>	<b>38.72</b>
<b>Current (unsecured, considered good unless stated otherwise)</b>		
Security deposits	3.25	3.18
Amount recoverable from payment gateway	115.05	73.57
Other receivables *	0.20	-
<b>Total</b>	<b>118.50</b>	<b>76.75</b>
<b>Total other financial assets</b>	<b>118.50</b>	<b>115.47</b>

#### Notes:

Security deposits are non-interest bearing and are generally on term of 3 to 9 years.

\* Refer Note 33 for outstanding balances pertaining to related parties.

## 9 OTHER ASSETS

	As at 31 March 2022	As at 31 March 2021
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Prepaid expenses	1.23	0.74
Indirect taxes recoverable	15.98	16.72
Capital advance	23.74	-
<b>Total</b>	<b>40.95</b>	<b>17.46</b>
<b>Current (Unsecured, considered good unless stated otherwise)</b>		
Advances recoverable	13.17	14.78
Indirect taxes recoverable	10.79	7.38
Prepaid expenses	21.80	16.68
Others	0.03	1.51
<b>Total</b>	<b>45.79</b>	<b>40.35</b>

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 10 TRADE RECEIVABLES

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured, considered good unless stated otherwise</b>		
<i>Considered good</i>		
Trade receivables	13.26	12.46
<i>Considered doubtful</i>		
Trade Receivables credit- impaired	-	0.03
Less: Loss allowance	-	(0.03)
<b>Total</b>	<b>13.26</b>	<b>12.46</b>

#### 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.

Outstanding for following periods from due date of payment / transaction	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>31 March 2022</b>						
<b>Undisputed, considered good</b>						
Trade receivables	13.26	-	-	-	-	13.26
<b>31 March 2021</b>						
<b>Undisputed, considered good</b>						
Trade receivables	11.60	0.71	0.01	0.14	-	12.46
<b>Considered doubtful</b>						
Trade Receivables credit- impaired	-	-	-	0.03	-	0.03
Less: Allowance for doubtful trade receivables						(0.03)
						<b>12.46</b>

## 11 CASH AND BANK BALANCES

### a) Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cheques on hand	207.87	142.52
Balance with bank		
- On current accounts	287.60	258.67
<b>Total Cash and cash equivalents</b>	<b>495.47</b>	<b>401.19</b>

#### Note:

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

### b) Bank balances other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
(i) Deposits with banks		
- remaining maturity upto twelve months	270.27	374.68
- remaining maturity for more than twelve months	-	-
	<b>270.27</b>	<b>374.68</b>
(ii) Earmarked balances with banks*	2.50	1.40
<b>Amount disclosed under current bank deposits</b>	<b>272.77</b>	<b>376.08</b>

\* Earmarked balances include unclaimed/unpaid dividends of INR 0.12 (31 March 2021: INR 0.06) and bank balance with Indiamart Employee Benefit Trust of INR 2.38 (31 March 2021: INR 1.34).



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 12 SHARE CAPITAL

Authorised equity share capital (INR 10 per share)	Number of shares	Amount
As at 1 April 2020	30,000,000	300.00
Increase during the year	69,442,460	694.42
As at 31 March 2021	99,442,460	994.42
As at 31 March 2022	99,442,460	994.42

Authorised 0.01% cumulative preference share capital (INR 328 per share)	Number of shares	Amount
As at 1 April 2020	1,493,903	490.00
Decrease during the year	(1,493,900)	(490.00)
As at 31 March 2021	3	0.00
As at 31 March 2022	3	-

Authorised 0.01% compulsorily convertible cumulative preference share capital (INR 100 per share)	Number of shares	Amount
As at 1 April 2020	1,894,254	189.43
Decrease during the year	(1,894,254)	(189.43)
As at 31 March 2021	-	-
As at 31 March 2022	-	-

Issued equity share capital (subscribed and fully paid up) (INR 10 per share)	Number of shares	Amount
As at 1 April 2020	28,877,247	288.77
Equity shares issued on exercise of ESOP during the year	66,696	0.67
Equity shares issued on qualified institutions placement during the year	1,242,212	12.42
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note (d) below)	135,000	1.35
Equity shares issued during the earlier period to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the period (refer note (d) below)	42,573	0.43
Equity shares issued during the period and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(47,434)	(0.48)
As at 31 March 2021	30,316,294	303.16
Equity shares issued on exercise of ESOP during the year	27,846	0.28
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note (d) below)	173,000	1.73
Equity shares issued during the earlier period to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercised during the period (refer note (d) below)	47,434	0.48
Equity shares issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(11,584)	(0.12)
As at 31 March 2022	30,552,990	305.53

### Notes:

1 During the previous year ended 31 March 2021, the Company had raised money by the way of Qualified Institutions Placement ("QIP") and allotted 1,242,212 equity shares of face value INR 10 each to the eligible qualified institutional buyers (QIB) at a price of INR 8,615 per equity share (including a premium of INR 8,605 per equity share) aggregating to INR 10,701.66 Millions on 22 February 2021. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Expenses incurred in relation to QIP amounting to INR 189.67 Millions has been adjusted from Securities Premium Account which resulted into the QIP's net proceeds of INR 10,511.99 millions.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 12 SHARE CAPITAL (Contd.)

Out of these proceeds, the company has utilised till 31 March, 2022 INR 3,954.17 Millions (31 March, 2021 : Nil) towards purposes specified in the placement document from the date of QIP. The balance amount of QIP's net proceeds remain invested in liquid instruments. Out of the amount utilised during the year INR 773.45 Million has been utilised through Tradezeal Online Private limited, the wholly owned subsidiary of the company, details of the same are given below :

Investment made through Tradezeal Online Private Limited	As at 31 March 2022	As at 31 March 2021
Truckhall Private Limited	110.10	-
Shipway Technology Private Limited	182.00	-
Legistify Services Private Limited	87.90	-
Agillos E-Commerce Private Limited	260.00	-
Edgewise Technologies Private Limited	133.45	-
<b>Total</b>	<b>773.45</b>	<b>-</b>

Other than as disclosed above, 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 Group and its associates 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 lend or invest in party identified by or on behalf of the Group and its associates (Ultimate Beneficiaries). The Group and its associates have not received any funds from any party(s) (Funding Party) with the understanding that the Group and its associates shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group and its associates (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

- 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.
- 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) Details of shareholders holding more than 5% equity shares in the Company

	As at 31 March 2022		As at 31 March 2021	
	Number	% Holding	Number	% Holding
<b>Equity shares of INR 10 each fully paid</b>				
Dinesh Agarwal	8,630,747	28.24%	8,630,747	28.42%
Brijesh Agrawal	5,848,544	19.14%	5,848,544	19.26%

### Details of shareholding of promoters

Promoters	As at 31 March 2022		As at 31 March 2021		
	Number	% Holding	Number	% Holding	% Change during the year
Dinesh Chandra Agarwal	8,630,747	28.24	8,630,747	28.42	(0.18)
Brijesh Kumar Agrawal	5,848,544	19.14	5,848,544	19.26	(0.12)
<b>Promoter Group</b>					
Chetna Agarwal	155,200	0.51	155,200	0.51	-
Pankaj Agarwal	151,000	0.49	151,000	0.50	(0.01)
Anand Kumar Agrawal	70,000	0.23	70,000	0.23	-
Meena Agarwal	69,800	0.23	69,800	0.23	-
Dinesh Chandra Agarwal (HUF)	60,000	0.20	60,000	0.20	-

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 12 SHARE CAPITAL (Contd.)

Promoters	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Number	% Holding	Number	% Holding	
Naresh Chandra Agrawal	40,200	0.13	40,200	0.13	-
Prakash Chandra Agrawal	40,200	0.13	40,200	0.13	-
Gunjan Agarwal	20,000	0.07	20,000	0.07	-
Keshar Devi Agrawal	19,800	0.06	19,800	0.07	(0.01)
Vijay Jalan	10,000	0.03	10,000	0.03	-
Naresh Chandra Agrawal (HUF)	9,000	0.03	9,000	0.03	-
Anand Kumar Agrawal (HUF)	6,000	0.02	6,000	0.02	-
Prakash Chandra Agrawal (HUF)	6,000	0.02	6,000	0.02	-
Hamirwasia Business Trust	200	0.00	200	0.00	-
Hamirwasia Family Trust	200	0.00	200	0.00	-
Nanpara Business Trust	100	0.00	100	0.00	-
Nanpara Family Trust	100	0.00	100	0.00	-
<b>Total</b>	<b>1,51,37,091</b>	<b>49.53</b>	<b>1,51,37,091</b>	<b>49.85</b>	

### c) Shares reserved for issue under options

Information relating to the Company's share based payment plans, including details of options and SAR units issued, exercised and lapsed during the financial year. Options and SAR units outstanding at the end of the reporting period, is set out in note 28.

### d) Shares held by Indiamart Employee Benefit Trust against employees share based payment plans (face value: INR 10 each)

	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Opening balance	47,434	0.48	42,573	0.43
Purchased during the year	173,000	1.73	135,000	1.35
Transfer to employees pursuant to SAR/ESOP exercised	(208,850)	(2.09)	(130,139)	(1.30)
<b>Closing balance</b>	<b>11,584</b>	<b>0.12</b>	<b>47,434</b>	<b>0.48</b>

## 13 OTHER EQUITY

	As at 31 March 2022	As at 31 March 2021
Securities premium	15,383.23	15,310.77
General reserve	8.45	8.45
Employee share based payment reserve	130.16	97.38
Retained earnings	2,913.16	389.08
<b>Total other equity</b>	<b>18,435.00</b>	<b>15,805.68</b>

### 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) **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.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 13 OTHER EQUITY (Contd.)

- c) **Employee share based payment reserve:** The Employee share based payment reserve is used to recognise the compensation related to share based awards issued to employees under Company's Share based payment scheme.
- d) **Retained earnings:** The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve. The capital reserve pertains to acquisition of non-controlling interest by the parent company.
- e) **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Group, and re-measurement gains/losses on defined benefit plans.

## 14 TRADE PAYABLES

	As at 31 March 2022	As at 31 March 2021
Payable to micro, small and medium enterprises	-	-
Other trade payables		
- outstanding dues to related parties (Refer Note 33)	-	0.05
- outstanding dues to others	3.98	4.87
- Accrued expenses	179.59	149.36
<b>Total</b>	<b>183.57</b>	<b>154.28</b>

Outstanding for following years from due date of payment / transaction	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>31 March 2022</b>					
(i) MSME*	-	-	-	-	-
(ii) Others	1.47	1.28	-	1.23	3.98
Accrued expenses					179.59
<b>31 March 2021</b>					
(i) MSME*	-	-	-	-	-
(ii) Others	2.03	1.66	-	1.23	4.92
Accrued expenses					149.36

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

## 15 LEASE AND OTHER FINANCIAL LIABILITIES

	As at 31 March 2022	As at 31 March 2021
<b>(a) Lease liabilities (Refer Note 5B)</b>		
Current	100.41	108.57
Non current	462.39	525.67
	<b>562.80</b>	<b>634.24</b>
<b>(b) Other financial liabilities</b>		
<b>Current</b>		
Payable to employees	192.95	195.94
Security deposits	-	0.14
Other payable*	10.05	5.32
<b>Total</b>	<b>203.00</b>	<b>201.40</b>

\*Includes unclaimed/Unpaid dividend of INR 0.12 (31 March 2021: INR 0.06) remaining to be paid to shareholders.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 16 PROVISIONS

	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
Provision for employee benefits*		
Provision for gratuity	166.95	212.19
Provision for Leave encashment	63.65	63.17
<b>Total</b>	<b>230.60</b>	<b>275.36</b>
<b>Current</b>		
Provision for employee benefits*		
Provision for gratuity	23.34	20.14
Provision for leave encashment	11.56	12.91
Provision-others**	15.38	15.38
<b>Total</b>	<b>50.28</b>	<b>48.43</b>

\*Refer Note 27.

\*\* Contingency provision towards indirect taxes. There is no change in this provision during the year ended 31 March 2022.

## 17 CONTRACT AND OTHER LIABILITIES

	As at 31 March 2022	As at 31 March 2021
<b>Contract liabilities*</b>		
<b>Non-current</b>		
Deferred revenue	3,316.20	2,584.75
	<b>3,316.20</b>	<b>2,584.75</b>
<b>Current</b>		
Deferred revenue	5,110.80	4,198.18
Advances from customers	643.38	478.08
	<b>5,754.18</b>	<b>4,676.26</b>
<b>Total</b>	<b>9,070.38</b>	<b>7,261.01</b>
<b>Other liabilities-Current</b>		
Statutory dues		
Tax deducted at source payable	32.89	37.66
GST payable	250.20	181.19
Others	7.84	4.97
<b>Total</b>	<b>290.93</b>	<b>223.82</b>

\*Contract liabilities include consideration received in advance to render web services in future periods. Refer Note 33 for outstanding balances pertaining to related parties.

## 18 INCOME TAX ASSETS AND LIABILITIES

	As at 31 March 2022	As at 31 March 2021
<b>Income tax assets (net of provisions)</b>		
<b>Non current</b>		
Income tax assets	1,849.80	821.96
Less: Provision for income tax	(1,615.84)	(635.36)
	<b>233.96</b>	<b>186.60</b>
<b>Current</b>		
Income tax assets	-	56.62
	<b>-</b>	<b>56.62</b>
<b>Total</b>	<b>233.96</b>	<b>243.22</b>

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 19 REVENUE FROM OPERATIONS

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of services		
Income from web services	7,397.02	6,595.83
Advertisement and marketing services	137.83	99.79
<b>Total</b>	<b>7,534.85</b>	<b>6,695.62</b>

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 31 March 2022		As at 31 March 2021	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Web services	5,733.75	3,306.73	4,675.46	2,583.88
Advertisement and marketing services	20.43	9.47	0.80	0.87
	<b>5,754.18</b>	<b>3,316.20</b>	<b>4,676.26</b>	<b>2,584.75</b>

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2022 and 31 March 2021.

	As at 31 March 2022	As at 31 March 2021
<b>Contract liabilities</b>		
Web services	9,040.48	7,259.34
Advertisement and marketing services	29.90	1.67
	<b>9,070.38</b>	<b>7,261.01</b>
Non-current	3,316.20	2,584.75
Current	5,754.18	4,676.26
	<b>9,070.38</b>	<b>7,261.01</b>

Significant changes in the contract liability balances during the period are as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance at the beginning of the year	7,261.01	6,852.79
Less: Revenue recognised from contract liability balance at the beginning of the year	(4,254.99)	(3,908.12)
Add: Amount received from customers during the year	9,344.22	7,111.89
Less: Revenue recognised from amounts received during the year	(3,279.86)	(2,787.50)
Adjustment for dilution of stake in subsidiary	-	(8.05)
<b>Closing balance at the end of the year</b>	<b>9,070.38</b>	<b>7,261.01</b>



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 20 OTHER INCOME

	For the year ended 31 March 2022	For the year ended 31 March 2021
Gain on investments carried at fair value through profit and loss		
- Fair value gain on measurement and income from sale of mutual funds, bonds, debentures, units of alternative investment fund and investment trust	1,030.24	793.52
- Fair value gain on measurement of Investment in other entities	7.72	-
Interest income from financial assets measured at amortised cost		
- on bank deposits	15.56	29.69
- on corporate deposits and loans	39.86	2.07
- on security deposits	2.85	4.87
Other interest income	10.11	1.08
Dividend Income	2.59	-
Gain on de-recognition of Right-of-use assets	1.76	10.02
Provisions and liabilities no longer required written back	7.30	22.93
Net gain on disposal of property, plant and equipment	1.56	1.66
Miscellaneous income	2.39	-
<b>Total</b>	<b>1,121.94</b>	<b>865.84</b>

## 21 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, allowance and bonus	2,470.45	1,914.45
Gratuity expense (Refer Note 27)	62.45	51.72
Leave encashment expense (Refer Note 27)	6.77	5.37
Contribution to provident and other funds	27.50	17.28
Employee share based payment expense (Refer Note 28)	102.73	58.83
Staff welfare expenses	5.62	4.48
<b>Total</b>	<b>2,675.52</b>	<b>2,052.13</b>

## 22 FINANCE COSTS

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest cost of lease liabilities	54.02	66.63
<b>Total</b>	<b>54.02</b>	<b>66.63</b>

## 23 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (Refer Note 5A)	11.86	26.63
Depreciation of Right-of-use assets (Refer Note 5B)	106.46	131.96
Amortisation of intangible assets (Refer Note 6)	1.14	2.06
<b>Total</b>	<b>119.46</b>	<b>160.65</b>

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 24 OTHER EXPENSES

	For the year ended 31 March 2022	For the year ended 31 March 2021
Content development expenses	164.38	108.23
Buyer engagement expenses	143.45	172.95
Customer support expenses	159.77	158.46
Outsourced sales cost	737.75	522.32
Internet and other online expenses	298.67	194.57
Rates and taxes	10.42	4.90
Outsourced support cost	12.53	11.72
Advertisement expenses	9.39	7.98
Power and fuel	7.72	6.86
Repair and maintenance:		
- Plant and machinery	3.43	2.32
- Others	27.27	19.64
Travelling and conveyance	10.46	3.20
Recruitment and training expenses	12.26	6.39
Legal and professional fees	54.81	34.03
Directors' sitting fees	3.55	1.14
Auditor's remuneration	5.76	4.53
Insurance expenses	31.21	30.19
Loss on change of control of a subsidiary converted into an associate	-	2.04
Collection charges	44.79	43.47
Corporate social responsibility activities expenses	36.37	10.98
Rent	3.68	13.70
Miscellaneous expenses	3.20	2.30
<b>Total</b>	<b>1,780.87</b>	<b>1,361.92</b>

## 25 EARNINGS PER SHARE (EPS)

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

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Basic</b>		
Net profit as per the statement of profit and loss for computation of EPS (A)	2,976.18	2,797.74
Weighted average number of equity shares used in calculating basic EPS (B)	30,424,200	29,098,875
Basic earnings per equity share (A/B)	97.82	96.15
<b>Diluted</b>		
Weighted average number of equity shares used in calculating basic EPS	30,424,200	29,098,875
Potential equity shares	309,651	482,591
Total no. of shares outstanding (including dilution) (C)	30,733,851	29,581,466
Diluted earnings per equity share (A/C)	96.84	94.58

There are potential equity shares for the year ended 31 March 2022 and 31 March 2021 in the form of share based awards granted to employees which have been considered in the calculation of diluted earnings per share.

For the year ended 31 March 2022 : 24,722 (31 March 2021: Nil) SAR units of employees share based awards were excluded from the calculation of diluted weighted average number of ordinary shares as their effect would have been anti-dilutive.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 26 INCOME TAX

The major components of income tax expense are:

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Current tax expense</b>		
Current tax for the year	980.47	635.25
	<b>980.47</b>	<b>635.25</b>
<b>Deferred tax expense/(benefit)</b>		
Relating to origination and reversal of temporary differences	(52.22)	347.32
	<b>(52.22)</b>	<b>347.32</b>
<b>Tax expense related to change in tax rate/laws*</b>		
- Deferred tax	-	109.22
	<b>-</b>	<b>109.22</b>
<b>Total income tax expense</b>	<b>928.25</b>	<b>1,095.79</b>

\* Pursuant to a tax law amendment (enacted on 28 March 2021), the tax amortizable goodwill became non tax amortizable from financial year ending 31 March 2021. The amended law states that goodwill of a business or profession will not be considered as a depreciable asset and no depreciation on goodwill will be allowed from 1 April 2020. Accordingly, the deferred tax asset on Goodwill was derecognized by the Company as Goodwill ceased to be tax amortizable pursuant to amendments in the Finance Act, 2021, during the previous year ended 31 March 2021.

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

Deferred tax related to items recognised in OCI during the year

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net loss on remeasurements of defined benefit plans	1.44	(6.21)

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	3,904.43	3,893.53
<b>Accounting profit before income tax</b>	<b>3,904.43</b>	<b>3,893.53</b>
Tax expense at the statutory income tax rate @25.17%	982.74	980.00
Adjustments in respect of differences taxed at lower tax rates	(102.83)	(17.62)
Adjustment in respect of change in carrying amount of investment in subsidiaries	11.33	10.47
Tax expense related to change in tax rate/laws	-	109.22
<i>Non-deductible expenses and Non taxable income for tax purposes:</i>		
Employee stock option expenses of subsidiary	-	6.50
Dividend income received	(0.20)	(8.17)
Income non-taxable for tax purposes	26.33	(4.66)
Other non-deductible expenses and non-taxable income	6.49	0.94
Temporary differences for which no deferred tax was recognised	4.39	19.10
<b>Tax expense at the effective income tax rate of 23.77% (31 March 2021: 28.15%)</b>	<b>928.25</b>	<b>1,095.79</b>

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 26 INCOME TAX (Contd.)

### d) Breakup of deferred tax recognised in the Balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Deferred tax asset</b>		
Property, plant and equipment and intangible assets	5.29	7.61
Provision for gratuity	46.95	58.02
Provision for compensated absences	18.54	18.82
Investment in subsidiaries measured at fair value	39.30	39.30
Provision of expenses, allowable in subsequent year	39.67	28.84
Ind AS 116 - Leases impact	17.30	10.93
Others	-	0.09
<b>Total deferred tax assets recognised (A)</b>	<b>167.05</b>	<b>163.61</b>
<b>Deferred tax liabilities</b>		
Investment in mutual funds, bonds, debentures, units of alternative investment fund and investment trust measured at fair value	(316.64)	(364.51)
Investment in other entities measured at fair value	(1.77)	-
Accelerated deduction on lease rent for tax purposes	(1.73)	(1.76)
Others	(3.33)	(4.54)
<b>Total deferred tax liabilities (B)</b>	<b>(323.47)</b>	<b>(370.81)</b>
<b>Net deferred tax liabilities (C) = (A) + (B)</b>	<b>(156.42)</b>	<b>(207.20)</b>

### e) Breakup of deferred tax expense recognised in Statement of profit and loss and OCI

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Deferred tax expense/(income) relates to the following:</b>		
Provision for gratuity	11.07	(6.74)
Provision for compensated absences	0.28	0.09
Investment in other entities measured at fair value	1.77	0.71
Deferred revenue	-	0.56
Tax losses	-	164.19
Unabsorbed depreciation	-	27.20
Goodwill Impairment	-	109.21
Provision for expenses, allowable in subsequent year	(10.83)	16.29
Investment in mutual funds, bonds, debentures, units of alternative investment fund and investment trust measured at fair value	(47.87)	149.88
Accelerated deduction for tax purposes	(0.03)	(0.02)
Property, plant and equipment and intangible assets	2.32	(0.14)
Ind AS 116 - Leases impact	(6.37)	(10.76)
Others	(1.12)	(0.14)
<b>Deferred tax expense</b>	<b>(50.78)</b>	<b>450.33</b>

### f) Reconciliation of Deferred tax liabilities (Net):

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Opening balance as of 1 April</b>	<b>(207.20)</b>	<b>245.70</b>
Tax (expense)/ benefit during the year recognised in Statement of profit and loss	52.22	(347.32)
Tax impact related to change in tax law	-	(109.22)
Tax impact during the year recognised in OCI	(1.44)	6.21
Adjustment for loss of control in Subsidiary	-	(2.57)
<b>Closing balance at the end of the year</b>	<b>(156.42)</b>	<b>(207.20)</b>

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

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 26 INCOME TAX (Contd.)

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

Particulars	As at 31 March 2022	As at 31 March 2021
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:		
- tax business losses	424.43	380.82
- unabsorbed depreciation	9.60	8.97
- other deductible temporary differences	3.27	3.27
	<b>437.30</b>	<b>393.06</b>

The Group 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.

## 27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN

The Group 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 Group to actuarial risks, such as longevity risk, interest rate risk and salary risk.

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

### Gratuity - defined benefit plan

	As at 31 March 2022	As at 31 March 2021
Present value of defined benefit obligation	336.31	289.63
Fair value of plan assets	(146.02)	(57.30)
<b>Net liability arising from defined benefit obligation</b>	<b>190.29</b>	<b>232.33</b>

### Leave encashment - other long-term employee benefit plan

	As at 31 March 2022	As at 31 March 2021
Present value of other long-term employee benefit	75.21	76.08
	<b>75.21</b>	<b>76.08</b>

### 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 and Leave encashment

	Gratuity	
	31 March 2022	31 March 2021
Balance at the beginning of the year	289.63	223.31
Benefits paid	(14.56)	(7.32)
Adjustment for loss of control in subsidiary	-	(3.75)
Current service cost	47.51	38.80
Interest cost	18.63	13.73
Actuarial (gains)/losses		
- changes in demographic assumptions	1.07	(4.59)
- changes in financial assumptions	(9.22)	13.76
- experience adjustments	3.25	15.69
<b>Balance at the end of the year</b>	<b>336.31</b>	<b>289.63</b>

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN (Contd.)

	Leave encashment	
	31 March 2022	31 March 2021
Balance at the beginning of the year	76.08	80.12
Benefits paid	(7.64)	(7.63)
Adjustment for loss of control in subsidiary	-	(1.78)
Current service cost	0.30	2.60
Interest cost	4.88	4.90
Actuarial (gains)/losses		
- changes in demographic assumptions	0.23	(6.33)
- changes in financial assumptions	(0.70)	1.55
- experience adjustments	2.06	2.65
<b>Balance at the end of the year</b>	<b>75.21</b>	<b>76.08</b>

### Movement in fair value of plan assets

	Gratuity	
	31 March 2022	31 March 2021
Opening fair value of plan assets	57.30	12.94
Interest income	3.69	0.81
Actuarial (gains)/losses	(0.40)	0.87
Contributions from the employer	100.00	50.00
Benefits paid	(14.57)	(7.32)
<b>Closing fair value of plan assets</b>	<b>146.02</b>	<b>57.30</b>

Each year the management of the Company reviews the level of funding required as per its risk management strategy. The Company expects to contribute to gratuity INR 52.85 millions in FY 2022-23 (31 March 2021: INR 42.55 million).

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 2022	As at 31 March 2021
Funds managed by insurer	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

	Gratuity	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	47.51	38.80
Net interest expense	14.94	12.92
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>62.45</b>	<b>51.72</b>
Remeasurement of the net defined benefit liability:		
Actuarial (gain)/loss on plan assets	0.40	(0.87)
Actuarial (gain)/loss on defined benefit obligation	(4.90)	24.86
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(4.50)</b>	<b>23.99</b>



# Notes to Consolidated Financial Statements

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(Amount in ₹ million, unless otherwise stated)

## 27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN (Contd.)

	Leave encashment	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	0.30	2.60
Net interest expense	4.88	4.90
Actuarial (gain)/loss on other long term employee benefit plan	1.59	(2.13)
<b>Components of other long term employee benefit costs recognised in profit or loss</b>	<b>6.77</b>	<b>5.37</b>

### c) Actuarial assumptions

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

	As at 31 March 2022	As at 31 March 2021
Discount rate	6.75%	6.45%
Expected rate of return on assets	6.75%	6.45%

Attrition rate:	As at 31 March 2022		As at 31 March 2021	
	Upto 4 years of service	Above 4 years of service	Upto 4 years of service	Above 4 years of service
<b>Ages</b>				
Upto 30 years	30.00%	30.00%	30.00%	30.00%
Above 30 years	10.00%	10.00%	10.00%	10.00%
<b>Future salary growth</b>				
Year 1	12.25%	12.25%	12.25%	12.00%
Year 2	12.25%	12.25%	12.25%	12.00%
Year 3 and onwards	12.25%	12.25%	12.25%	12.00%
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

For the year ended 31 March 2022	Increase	Decrease
Impact of change in discount rate by 0.50%	(21.54)	23.96
Impact of change in salary by 0.50%	9.14	(9.69)
For the year ended 31 March 2021	Increase	Decrease
Impact of change in discount rate by 0.50%	(19.40)	21.82
Impact of change in salary by 0.50%	10.13	(10.37)

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.

# Notes to Consolidated Financial Statements

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(Amount in ₹ million, unless otherwise stated)

## 27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN (Contd.)

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

Particulars	As at 31 March 2022	As at 31 March 2021
Within one year	23.34	20.14
Within one - three years	38.89	30.98
Within three - five years	34.08	27.22
Above five years	240.00	211.29
<b>Total</b>	<b>336.31</b>	<b>289.63</b>

## 28 SHARE BASED PAYMENT PLANS

### a) Employee Stock Option Plan (ESOP)

The Company has provided various share-based payment schemes to its employees in the preceding financial years. During the year ended 31 March 2022, the following schemes were in operation:

	ESOP 2016	ESOP 2017	ESOP 2022
Date of grant	July 28, 2016	June 02, 2017	Jan 10, 2022
Date of Board Approval	July 28, 2016	May 04, 2017	Jan 08, 2022
Date Of Shareholder's approval	September 23, 2015	September 23, 2015	May 07, 2018
Number of options approved	276,980	200,730	45,490
Method of Settlement	Equity	Equity	Equity
Vesting period (in months)	0 to 48 Months	0 to 48 Months	0 to 48 Months

The details of activity have been summarized below:

#### ESOP 2016

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	19,425	200
Exercised during the year	-	-	19,425	200
Outstanding at the end of the year	-	-	-	-

#### ESOP 2017\*

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	13,923	200	27,846	200
Granted during the year	Nil	-	Nil	200
Forfeited/ expired during the year	-	-	Nil	200
Exercised during the year	13,923	200	13,923	200
Outstanding at the end of the year	-	-	13,923	200
Exercisable at the end of the year	Nil	-	Nil	200

\* 27,846 shares have been issued against the ESOP exercised under this scheme during the year after considering the impact of bonus shares.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 28 SHARE BASED PAYMENT PLANS (Contd.)

### ESOP 2022

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	Nil	-
Granted during the year	45,490	10	Nil	-
Forfeited/ expired during the year	440	10	Nil	-
Exercised during the year	-	-	Nil	-
Outstanding at the end of the year	45,050	10	Nil	-
Exercisable at the end of the year	Nil	-	Nil	-

Figures for current year ended 31 March 2022 and previous year are as follows:

	As at 31 March 2022		
	ESOP 2022	ESOP 2016	ESOP 2017
Range of exercise prices	10	200	200
Number of options outstanding	45,050	-	-
Weighted average remaining contractual life of options (in years)	4	-	-
Weighted average exercise price	10	200	200
Weighted average share price for the options exercised during the year	-	300	300

	As at 31 March 2021	
	ESOP 2016	ESOP 2017
Range of exercise prices	200	200
Number of options outstanding	-	13,293
Weighted average remaining contractual life of options (in years)	-	-
Weighted average exercise price	200	200
Weighted average share price for the options exercised during the year	300	300

### Stock Options granted

The fair value of options is measured using Black-Scholes valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans are given in the table below:

	As at 31 March 2022	
	ESOP 2016	ESOP 2017
Weighted average share price	275.93	280.50
Exercise Price	200	200
Expected Volatility	0.00%	0.00%
Historical Volatility	0.10%	0.10%
Life of the options granted (Vesting and exercise year) in years	7.70	7.70
Expected dividends	Nil	Nil
Average risk-free interest rate	7.20%	7.20%

# Notes to Consolidated Financial Statements

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## 28 SHARE BASED PAYMENT PLANS (Contd.)

	ESOP 2022*
Weighted average share price	6,662
Exercise price	10
Life of the options granted (Vesting and exercise period) in years	4

\* For ESOP 2022 Scheme, the stock price as on the day prior to the grant date has been considered as the fair value.

	As at 31 March 2021	
	ESOP 2016	ESOP 2017
Weighted average share price	275.93	280.50
Exercise Price	200	200
Expected Volatility	0.00%	0.00%
Historical Volatility	0.10%	0.10%
Life of the options granted (Vesting and exercise year) in years	7.70	7.70
Expected dividends	Nil	Nil
Average risk-free interest rate	7.20%	7.20%

### b) Stock appreciation rights (SAR)

The Company has granted stock appreciation rights to its employees. Details are as follows:

	SAR 2018	SAR 2021	SAR 2022
Date of grant	October 01, 2018	August 01, 2021	January 10, 2022
Date of Board Approval	September 22, 2018	July 19, 2021	January 08, 2022
Date Of Shareholder's approval	May 07, 2018	May 07, 2018	May 07, 2018
Number of units approved	800,740	8,600	68,770
Method of Settlement	Equity	Equity	Equity
Vesting period (in months)	0 to 48 Months	0 to 48 Months	0 to 48 Months

The details of activity have been summarized below:

### SAR 2018\*

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	427,788	500	584,592	500
Granted during the year	-	Nil	Nil	Nil
Lapsed during the year	11,280	500	12,448	500
Exercised during the year	212,850	500	144,356	Nil
Expired during the year	-	Nil	Nil	Nil
Outstanding at the end of the year	203,658	500	427,788	500
Exercisable at the end of the year	Nil	Nil	Nil	Nil

\* 208,850 (31 March 2021 : 130,039) shares have been issued against the SAR exercised under this scheme during the year after adjusting the impact of consideration payable by employees.

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## 28 SHARE BASED PAYMENT PLANS (Contd.)

### SAR 2021

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	8,600	10	-	-
Lapsed during the year	1,350	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	7,250	10	-	-
Exercisable at the end of the year	-	-	-	-

### SAR 2022

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	68,770	10	-	-
Lapsed during the year	2,420	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	66,350	10	-	-
Exercisable at the end of the year	-	-	-	-

Figures for current year ended 31 March 2022 and previous year are as follows:

	For the year ended 31 March 2022		
	SAR 2018	SAR 2021	SAR 2022
Range of exercise prices	500	10	10
Number of units outstanding	203,658	7,250	66,350
Weighted average remaining contractual life of units (in years)	0.50	3.33	3.83
Weighted average exercise price	500	10	10

	For the year ended 31 March 2021
	SAR 2018
Range of exercise prices	500
Number of units outstanding	427,788
Weighted average remaining contractual life of units (in years)	2
Weighted average exercise price	500

# Notes to Consolidated Financial Statements

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## 28 SHARE BASED PAYMENT PLANS (Contd.)

### SAR units granted

The fair value of options is measured using Black-Scholes valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans are given in the table below:

	SAR 2018
Weighted average share price	597
Exercise Price	500
Expected Volatility	41%
Historical Volatility	41%
Life of the options granted (Vesting and exercise year) in years	4.00
Expected dividends	Nil
Average risk-free interest rate	7.80%

	SAR 2021*	SAR 2022*
Weighted average share price	7,135	6,662
Exercise Price	10	10
Life of the units granted (Vesting and exercise year) in years	4	4.00

\* For SAR 2021 and SAR 2022 Scheme, 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 profit and loss:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Total Employee Compensation Cost pertaining to share-based payment plans	102.73	58.83
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	102.73	58.83

### Effect of the employee share-based payment plans on its financial position:

	As at 31 March 2022	As at 31 March 2021
Total reserve for employee share based payments outstanding as at year end	130.16	97.38

## 29 FAIR VALUE MEASUREMENTS

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

	Level	As at 31 March 2022	As at 31 March 2021
<b>Financial assets</b>			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds (Refer Note b(iii) below)	Level 1	15,744.84	21,703.80
- Investment in bonds (Refer Note b(v) below)	Level 1	-	470.56
- Investments in Investment Trust (Refer Note b(iii) below)	Level 1	327.63	-
- Investments in Alternative investment funds (Refer Note b(iii) below)	Level 1	102.61	-
- Investment in bonds & debentures (Refer Note b(v) and b(vi) below)	Level 2	6,832.57	-
- Investment in equity/preference instruments of other entities (Refer Note b(iv) below)	Level 3	1,719.05	99.99
		<b>24,726.70</b>	<b>22,274.35</b>



# Notes to Consolidated Financial Statements

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## 29 FAIR VALUE MEASUREMENTSS (Contd.)

b) Measured at amortised cost (Refer Note b(i) and (ii) below)		
- Trade receivables	13.26	12.46
- Cash and cash equivalents	495.47	401.19
- Loans to employees	31.86	9.71
- Inter-corporate deposits	417.35	701.91
- Security deposits	42.47	41.90
- Deposits with Banks	272.77	376.08
- Other financial assets	115.25	73.57
	<b>1,388.43</b>	<b>1,616.82</b>
<b>Total financial assets (a+b)</b>	<b>26,115.13</b>	<b>23,891.17</b>
<b>Financial liabilities</b>		
a) Measured at amortised cost (Refer Note b(i) and (ii) below)		
- Trade payables	183.57	154.28
- Security deposits	-	0.14
- Other financial liabilities	203.00	201.26
- Lease liabilities	562.80	634.24
<b>Total</b>	<b>949.37</b>	<b>989.92</b>

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

- The carrying value of deposits with Banks, Inter-corporate deposits with Financial institutions, trade receivables, loans to employees, cash and cash equivalents, trade payables, security deposits, lease liabilities and other financial assets and other financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments. These have been assessed basis counterparty credit risk.
- The fair value of non-current financial assets and financial liabilities measured are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.
- Fair value of quoted mutual funds, alternative investment funds and investment trust is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.
- Fair value of equity/preference instruments of other entities is estimated based on discounted cash flows / market multiple valuation technique using the cash flow projections, discount rate and credit risk and are classified as Level 3.
- With effect from 1 April 2021, the fair value of quoted bonds is determined using observable market's inputs and is classified as Level 2 as against earlier classification of Level 1.
- Fair value of the quoted bonds and debentures is determined using observable market's inputs and is classified as Level 2.

### c) Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of 31 March 2022

Financial assets	Valuation technique(s)	Signifcannt Unobservable input range	Inter-relationship between significant unobservable input and fair value measurement
<b>Investment in equity/preference instruments of other entities</b>	Market multiple approach	0.7x-8.3x	The estimated fair value of Investment in Other entities will Increase/ (decrease) if the Market multiple is higher/ (lower)
Mobisy Technologies Private Limited, Legistify Services Private Limited, Mynd Solutions Private Limited, Zimyo consulting Private Limited and Fleetx Technologies Private Limited			

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## 29 FAIR VALUE MEASUREMENTSS (Contd.)

### Sensitivity

For the fair value of investment in other entities, reasonably possible changes in Market Multiple by 250 basis points at the reporting date being a significant unobservable inputs, would have the following effect

	For the year ended 31 March 2022
+2.5% change in Market Multiple	32.48
-2.5% change in Market Multiple	(20.15)

### Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of 31 March 2021

Financial assets	Valuation technique(s)	Key input(s)	Sensitivity
<b>Investment in equity/preference instruments of other entities</b>			
Mobisy Technologies Private Limited	Refer Note below*	i) Discount rate ii) Growth rate for long term cash flow projections. iii) Future cash flow projections based on budgets	Refer note below**

\* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted valuation models based on a discounted cashflow analysis, with one of the most significant inputs being the discount rate.

\*\* Sensitivity to changes in unobservable inputs: The fair value of the financial assets is directly proportional to the estimated future cash flow projections based on the budgets approved by the management. Change in significant unobservable input of discount rate by 100 bps and growth rate by 100 bps in the valuation does not have a significant impact on the carrying value of the assets in the financial statements.

### d) Reconciliation of level 3 fair value measurements

	Investment in equity/preference instruments of other entities	
	For the Year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	99.99	-
Gain recognised in profit or loss	7.72	-
Additions	1,611.34	99.99
<b>Closing balance</b>	<b>1,719.05</b>	<b>99.99</b>

### e) During the year ended 31 March 2022 and 31 March 2021, there were no transfer due to re-classification into and out of Level 3 fair value measurements.

## 30 CAPITAL MANAGEMENT

The Group manages its capital to ensure it will be able to continue as a going concerns while maximising the return 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 Group is not subject to any externally imposed capital requirements.

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

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Group's board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The 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 Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's cash and bank balances, trade receivables, investments in mutual fund, 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).

#### Trade receivables

The Group majorly collects consideration in advance for the services to be provided to the customer. As a result, the Group is not exposed to any significant credit risk on trade receivables.

#### Cash and cash equivalents, bank deposits and investments in mutual funds, debentures, units of alternative investment funds and units of investment trust.

The company maintains its cash and cash equivalents, bank deposits, inter-corporate deposits and investment in mutual funds, bonds, debentures, units of alternative investment funds and units of investment trust 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.

#### Security deposits and Loans

The Group 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 Group's historical experience of dealing with the parties.

### ii) Liquidity risk management

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

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 Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group 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.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

### Maturities of financial liabilities

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

Contractual maturities of financial liabilities

31 March 2022	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	183.57	-	183.57
Lease and other financial liabilities	303.41	462.39	765.80
	<b>486.98</b>	<b>462.39</b>	<b>949.37</b>

31 March 2021	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	154.28	-	154.28
Lease and other financial liabilities	309.97	525.67	835.64
	<b>464.25</b>	<b>525.67</b>	<b>989.92</b>

### iii) Market risk

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

#### 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). The company's exposure to unhedged foreign currency risk as at 31 March 2022 and 31 March 2021 is not material. Currency risks related to the principal amounts of the company's US dollar trade receivables.

#### b) Interest rate risk

Investment of short-term surplus funds of the company in liquid schemes of mutual funds, bonds, debentures, units of alternative investment fund and investment trust provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

#### Sensitivity

	Impact on profit before tax	
	For the year ended 31 March 2022	For the year ended 31 March 2021
+ 5% change in NAV of mutual funds, bonds, debentures, units of alternative investment fund and units of investment trust.	1,150.38	1,108.72
- 5% change in NAV of mutual funds, bonds, debentures, units of alternative investment fund and units of investment trust.	(1,150.38)	(1,108.72)

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 32 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has only one business segment which is business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers and operates in a single business segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence the Group falls within a single operating segment "Business to business e-marketplace"

### Information about geographical areas:

The Group'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		Non-current assets*	
	For the Year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
India	7,458.04	6,599.61	603.36	669.90
Others	76.81	96.01	-	-
	<b>7,534.85</b>	<b>6,695.62</b>	<b>603.36</b>	<b>669.90</b>

\* Non-current assets exclude financial assets, investment in associates, deferred tax assets, tax assets and post-employment benefit assets.

## 33 RELATED PARTY TRANSACTIONS

### i) Names of related parties and related party relationship:

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

Name	Designation
Dinesh Chandra Agarwal	Managing director and CEO
Brijesh Kumar Agrawal	Whole time director
Prateek Chandra	Chief financial officer
Manoj Bhargava	Company Secretary
Dhruv Prakash	Non-executive director
Rajesh Sawhney	Independent director
Elizabeth Lucy Chapman	Independent director
Vivek Narayan Gour	Independent director

#### c) Entities where Individuals and Key Management Personnel (KMP) as defined above exercise significant influence

Mansa Enterprises Private Limited

#### d) Other related parties

Indiamart Employee Benefit Trust (administered Trust to manage employees share based payment plans of the company)  
Indiamart Intermesh Employees Group Gratuity Assurance Scheme (administered Trust to manage post-employment defined benefits of employees of the company)  
Simply Vyapar Apps Private Limited (Associate)  
Ten Times Online Private Limited (Associate) (with effect from 1 September 2020)  
Truckhall Private Limited (Associate)  
Shipway Technology Private Limited (Associate)  
Agillos E-Commerce Private Limited (Associate)  
Edgewise Technologies Private Limited (Associate)  
IB Monotaro Private Limited (Associate)

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 33 RELATED PARTY TRANSACTIONS (Contd.)

### ii) Key management personnel compensation

	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term employee benefits	137.24	111.39
Post-employment benefits	0.25	0.13
Other long-term employee benefits	0.36	-
Employee share based payment	5.46	4.37
	<b>143.31</b>	<b>115.89</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 2022	For the year ended 31 March 2021
<b>Entities where KMP and Individuals exercise Significant influence</b>		
<b>Expenses for rent</b>		
Mansa Enterprises Private Limited	1.73	1.59
<b>Key management personnel</b>		
<b>Recruitment and training expenses</b>		
Dhruv Prakash	-	0.44
<b>Loans</b>		
Manoj Bhargava	1.50	-
Director's sitting fees	3.55	1.14
<b>Dividend paid</b>		
Dinesh Chandra Agarwal	129.46	-
Brijesh Kumar Agrawal	87.73	-
Prateek Chandra	1.46	-
Manoj Bhargava	0.01	-
Rajesh Sawhney	0.08	-
Dhruv Prakash	0.38	-
Vivek Narayan Gour	0.15	-
<b>Associates</b>		
<b>Investment in associates</b>		
Truckhall Private Limited	110.10	-
Shipway Technology Private Limited	182.00	-
Agillos E-Commerce Private Limited	260.00	-
Edgewise Technologies Private Limited	133.45	-
IB Monotaro Private Limited	1,041.77	-
Simply Vyapar Apps Private Limited	615.50	-
<b>Web &amp; Advertisement services provided to</b>		
Simply Vyapar Apps Private Limited	8.43	0.04
<b>Internet and online services availed</b>		
Ten Times Online Private Limited	0.17	0.05
<b>Miscellaneous services provided to</b>		
Simply Vyapar Apps Private Limited	2.38	-
<b>Indiamart Employee Benefit Trust</b>		
Repayment of loan given	2.00	1.20
Share capital issued	1.73	1.35
Interest free loan given	0.50	1.20
Dividend paid	3.31	-



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 33 RELATED PARTY TRANSACTIONS (Contd.)

### 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 year 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 2022	As at 31 March 2021
<b>Key management personnel</b>		
<b>Recruitment and training expenses payable</b>		
Director's sitting fees	-	0.05
Loans	1.50	-
<b>Investment in associates (At cost)*</b>		
Simply Vyapar Apps Private Limited	927.52	312.02
Ten Times Online Private Limited	0.93	0.93
Truckhall Private Limited	110.10	-
Shipway Technology Private Limited	182.00	-
Agillos E-Commerce Private Limited	260.00	-
Edgewise Technologies Private Limited	133.45	-
IB MonotaRO Private Limited	1,041.77	-
<b>Deferred Revenue</b>		
Simply Vyapar Apps Private Limited	1.01	0.47
<b>Loan given</b>		
Indiamart Employee Benefit Trust	-	1.50

\*Does not include share of loss of associate as accounted under equity method.

## 34 GROUP INFORMATION

Information about subsidiaries and associates

The consolidated financial statements of the Group includes subsidiaries and associate listed in the table below:

Name	Principal activities	Country of incorporation	% interest	
			As at 31 March 2022	As at 31 March 2021
Hello Trade Online Private Limited	Business facilitation services	India	100	100
Tradezeal Online Private Limited	Business facilitation services	India	100	100
Ten Times Online Private Limited *	Business facilitation services	India	-	-
Tolexo Online Private Ltd	Cloud based solution for SMEs	India	100	100
Pay With Indiamart Private Limited	Payment facilitation	India	100	100
<b>Information about associate</b>				
Ten Times Online Private Limited *	Business facilitation services	India	30	30
Simply Vyapar Apps Private Limited	Software and apps service providing company	India	27	26
Truckhall Private Limited	Software and apps service providing company	India	25	-
Shipway Technology Private Limited	Software and apps service providing company	India	26	-
Agillos E-Commerce Private Limited	Software and apps service providing company	India	26	-
Edgewise Technologies Private Limited	Software and apps service providing company	India	26	-
IB Monotaro Private Limited	E-Commerce company	India	26	-

\* The Parent Company diluted its stake in Ten Times Online Private Limited which was a wholly owned subsidiary on September 1, 2020, by selling its equity stake to the tune of 70%. Post this transaction, Ten Times Online Private Limited becomes an Associate of the parent company.

# Notes to Consolidated Financial Statements

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## 35 ADDITIONAL INFORMATION

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	INR million	As % of consolidated profit and loss	INR million	As % of consolidated other comprehensive income	INR million	As % of total comprehensive income	INR million
<b>Parent</b>								
<b>Indiamart Intermesh Limited</b>								
Balance as at 31 March 2022	86.94%	18,921.41						
Balance as at 31 March 2021	99.92%	16,166.44						
For the year ended 31 March 2022			108.12%	3,098.24	139.9%	4.28	108.15%	3,102.52
For the year ended 31 March 2021			104.20%	2,867.13	102.88%	(18.29)	104.21%	2,848.84
<b>Subsidiaries</b>								
<b>Tolexo Online Private Limited</b>								
Balance as at 31 March 2022	-1.53%	(333.64)						
Balance as at 31 March 2021	-1.48%	(238.93)						
For the year ended 31 March 2022			-3.24%	(92.72)	-39.91%	(1.22)	-3.27%	(93.94)
For the year ended 31 March 2021			-2.67%	(73.46)	-3.81%	0.68	-2.66%	(72.79)
<b>Ten Times Online Private Limited (till September 1, 2020)</b>								
Balance as at 31 March 2022	0.00%	-						
Balance as at 31 March 2021	0.00%	-						
For the year ended 31 March 2022			0.00%	-	0.00%	-	0.00%	-
For the year ended 31 March 2021			-0.43%	(11.92)	0.93%	(0.17)	-0.44%	(12.09)
<b>Hello Trade Online Pvt Ltd</b>								
Balance as at 31 March 2022	0.00%	(0.02)						
Balance as at 31 March 2021	0.00%	0.03						
For the year ended 31 March 2022			0.00%	(0.05)	0.00%	-	0.00%	(0.05)
For the year ended 31 March 2021			0.00%	(0.04)	0.00%	-	0.00%	(0.04)
<b>Tradezeal Online Pvt Ltd</b>								
Balance as at 31 March 2022	3.11%	677.61						
Balance as at 31 March 2021	-0.16%	(26.22)						
For the year ended 31 March 2022			-0.55%	(15.90)	0.00%	-	-0.55%	(15.90)
For the year ended 31 March 2021			-0.16%	(4.32)	0.00%	-	-0.16%	(4.32)
<b>Pay with Indiamart Private Limited</b>								
Balance as at 31 March 2022	0.03%	7.18						
Balance as at 31 March 2021	0.05%	8.69						
For the year ended 31 March 2022			-0.05%	(1.51)	0.00%	-	-0.05%	(1.51)
For the year ended 31 March 2021			0.03%	0.77	0.00%	-	0.03%	0.77
<b>Associate (accounting as per equity method)</b>								
<b>Simply Vyapar Apps Private Limited</b>								
Balance as at 31 March 2022	3.62%	787.62						
Balance as at 31 March 2021	1.67%	269.94						
For the year ended 31 March 2022			-3.41%	(97.83)	0.00%	-	-3.41%	(97.83)
For the year ended 31 March 2021			-0.93%	(25.67)	0.00%	-	-0.94%	(25.67)
<b>Ten Times Online Private Limited (Post September 1, 2020)</b>								
Balance as at 31 March 2022	0.00%	-						
Balance as at 31 March 2021	0.00%	-						
For the year ended 31 March 2022			0.00%	-	0.00%	-	0.00%	-
For the year ended 31 March 2021			-0.03%	(0.93)	0.00%	-	-0.03%	(0.93)
<b>Truckhall Private Limited</b>								
Balance as at 31 March 2022	0.46%	100.98						
Balance as at 31 March 2021	0.00%	-						
For the year ended 31 March 2022			-0.32%	(9.12)	0.00%	-	-0.32%	(9.12)
For the year ended 31 March 2021			0.00%	-	0.00%	-	0.00%	-

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 35 ADDITIONAL INFORMATION (Contd.)

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	INR million	As % of consolidated profit and loss	INR million	As % of consolidated other comprehensive income	INR million	As % of total comprehensive income	INR million
<b>Shipway Technology Private Limited</b>								
Balance as at 31 March 2022	0.81%	175.77						
Balance as at 31 March 2021	0.00%	-						
For the year ended 31 March 2022			-0.22%	(6.22)	0.00%	-	-0.22%	(6.22)
For the year ended 31 March 2021			0.00%	-	0.00%	-	0.00%	-
<b>Agillos E-Commerce Private Limited</b>								
Balance as at 31 March 2022	1.17%	254.89						
Balance as at 31 March 2021	0.00%	-						
For the year ended 31 March 2022			-0.18%	(5.11)	0.00%	-	-0.18%	(5.11)
For the year ended 31 March 2021			0.00%	-	0.00%	-	0.00%	-
<b>Edgewise Technologies Private Limited</b>								
Balance as at 31 March 2022	0.61%	133.41						
Balance as at 31 March 2021	0.00%	-						
For the year ended 31 March 2022			0.00%	(0.04)	0.00%	-	0.00%	(0.04)
For the year ended 31 March 2021			0.00%	-	0.00%	-	0.00%	-
<b>IB Monotaro Private Limited</b>								
Balance as at 31 March 2022	4.77%	1,037.60						
Balance as at 31 March 2021	0.00%	-						
For the year ended 31 March 2022			-0.15%	(4.17)	0.00%	-	-0.15%	(4.17)
For the year ended 31 March 2021			0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2022	100.00%	21,762.81						
Balance as at 31 March 2021	100.00%	16,179.95						
For the year ended 31 March 2022			100.00%	2,865.57	100.00%	3.06	100.00%	2,868.63
For the year ended 31 March 2021			100.00%	2,751.56	100.00%	(17.78)	100.00%	2,733.78
<b>Adjustment arising out of consolidation</b>								
Balance as at 31 March 2022		(3,022.28)						
Balance as at 31 March 2021		(71.10)						
For the year ended 31 March 2022				110.61		-		110.61
For the year ended 31 March 2021				46.18		-		46.18
<b>Total</b>								
Balance as at 31 March 2022		18,740.53						
Balance as at 31 March 2021		16,108.85						
For the year ended 31 March 2022				2,976.18		3.06		2,979.24
For the year ended 31 March 2021				2,797.74		(17.78)		2,779.96

## 36 CONTINGENT LIABILITIES AND COMMITMENTS

### a) Contingent liabilities

	As at 31 March 2022	As at 31 March 2021
(i) Income-tax demand (refer notes (a) and (b) below)	302.68	302.68

- (a) In respect of Assessment year 2016-17, a demand 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 and accordingly the losses to be carried forward by the Company have been reduced from INR 719.22 million to INR 482.07 million ( Tax impact @25.17%- INR 59.69 Million). The matter is pending with CIT(Appeals). The Company is contesting the demand and the management believes that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the consolidated financial statements for tax demand raised.

# Notes to Consolidated Financial Statements

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(Amount in ₹ million, unless otherwise stated)

## 36 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

- (b) In respect of Assessment year 2017-18, a demand of INR 242.99 million 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 believes that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the consolidated financial statements for tax demand raised.
- (ii) On February 28, 2019, a judgment of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers altered historical understandings of such obligations, extending them to cover additional portions of the employee's income. However, the judgment is not explicit if such interpretation may have retrospective application resulting in increased contribution for past and future years for certain employees of the Group. The Group, based on an internal assessment, evaluated that there are numerous interpretative challenges on the retrospective application of the judgment which results in impracticability in estimation of and timing of payment and amount involved. As a result of lack of implementation guidance and interpretative challenges involved, the Group is unable to reliably estimate the amount involved. Accordingly, the Group shall evaluate the amount of provision, if any, on there being further clarity on the matter.
- (iii) The Group is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Group records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Management reviews these provisions and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Management believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results or cash flows of the Group, with respect to loss contingencies for legal and other contingencies as at 31 March 2022.
- (iv) 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 framed. 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 published.

### b) Capital and other commitments

- As at 31 March 2022, the Company has NIL capital commitment (31 March 2021: 13 Millions).
- The Company will provide financial support to its wholly owned subsidiaries, so as to meet their liabilities as and when the same is required.

## 37 INVESTMENT IN ASSOCIATES

The Group has investment in associates as on 31 March 2022 (Refer Note 7). The aggregate summarised financial information in respect of the Group's associates accounted for using the equity method is as below:

	31 March 2022	31 March 2021
Carrying value of the Group's interest in associates	2,490.27	269.94
The Group's share in loss for the year in associates	(122.49)	(26.60)

# Notes to Consolidated Financial Statements

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(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION

### a) Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance*
<b>Current Ratio (in times)</b>	Current Assets	Current liabilities	3.71	4.41	-16%
<b>Debt-Equity Ratio (in times)</b>	Total debt (represents lease liabilities) (Refer Note 1 below)	Shareholder's equity	0.03	0.04	-24%
<b>Debt Service Coverage Ratio (in times)</b>	Earning available for debt service (Refer Note 2 below)	Debt Service (Refer Note 3 below)	5.98	4.85	23%
<b>Return on Equity Ratio (in %)</b>	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	17.08%	29.67%	-42%
<b>Trade Receivables turnover ratio (in times)</b>	Net Credit sales during the year	Average trade receivable	20.63	10.78	91%
<b>Trade payables turnover ratio (in times)</b>	Other expenses	Average trade payable	10.54	8.88	19%
<b>Net capital turnover ratio (in times)</b>	Revenue from operations	Working capital (Current Assets-Current liabilities)	0.42	0.36	16%
<b>Net profit ratio (in %)</b>	Net profit after tax	Revenue from operations	39.50%	41.78%	-5%
<b>Return on Capital employed (ROCE) (in %)</b>	Earning before interest and taxes	Capital employed (Refer Note 4 below)	20.34%	23.36%	-13%
<b>Return on investment (ROI) (in %)</b>	Income generated from invested funds (Refer Note 5 below)	Average invested funds in treasury investments (Refer Note 6 below)	4.42%	7.06%	-37%

### Notes

- Total debt represents lease liabilities.
- Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and amortizations + Interest + other adjustments like gain on sale of Fixed assets, shared based expenses etc.
- Debt service = Lease Payments (Interest + Principal)
- Capital Employed = Total shareholder's equity + Deferred tax liability + Lease liabilities
- Income generated from invested funds = FVTPL gain on mutual funds, bonds, debentures, units of alternative investment funds and investment trust + Interest income from Bank deposits + Interest income on inter corporate deposits
- Average invested funds in treasury investments = Average of (Average quarterly opening treasury investments and quarterly closing treasury investments #)
- Treasury Investments = Mutual funds, bonds, debentures, units of alternative investment funds and investment trust + Inter - corporate deposits + Bank deposits
- 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

On account of QIP issue in the last quarter of previous financial year, the average net worth has become higher in the current year subsequently, resulting in lower return on equity/capital employed in year ended 31 March 2022.

### Trade Receivables turnover ratio

Increase in trade receivable turnover ratio is on account of better realisation of trade receivables.

### Return on investment (ROI)

RBI had taken measures during COVID-19 in the month of March 2020 hence cut interest rates drastically, and introduced ample liquidity measures. We generated high returns in our liquid fund portfolio due to these liquidity measures in F.Y. 2020-2021. In F.Y. 2022 fixed income investments generated lower returns due to high liquidity in markets.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION (Contd.)

### b) Relationship with Struck off companies

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
1	SG Fabs Kitchen Equipment Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
2	Amro Cranes Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
3	Kumar Ceramics Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
4	Aspen Systems Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
5	Vikas Scientific Instruments Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
6	Mars Sterile Solutions Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
7	Parameshwary Embed Technologies Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
8	Nirvana Fashion Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
9	Lemison Laundry Equipment Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
10	Lorman Induction Technology Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
11	Advantech Crane Automation Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
12	Giriraj Steels Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
13	First Office Solutions India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
14	Mollimax Suppliers Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
15	Sunflower Natural Perfume Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
16	Woman Arts Food Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
17	Art Of Masala Foods Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
18	Ratnaprava Industries Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
19	Aps Equipments Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
20	Leo Royal Techserve Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
21	Aditya Inkjet Technologies Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
22	Mercatum Technology Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
23	Rajaratna Industries Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
24	Micro-Flow Contamination Solutions (India) Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
25	Sun Sports Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*



# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
26	Maitri Infosoft Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
27	R. M. Retail Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
28	Navya Automation System Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
29	Alba Nova Life Science Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
30	Supreme Reliable Retail Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
31	Ashwattha Enterprises Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
32	E-Systems Techno Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
33	Dev Electromedical Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
34	Aster Automotive Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
35	Hottip India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
36	Safezonee Enviro Engineers Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
37	Agi Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
38	Crown Filtech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
39	Jp Energy Systems India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
40	Mahavir Interiors & Projects Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
41	Atharva Industrial Equipments Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
42	Fire Engitech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
43	Taamini Crop Science Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
44	Sidhi Vinayak Footwears Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
45	Appolox Road Equipments Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
46	Nizami'S Exim Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
47	Nathanz Chemicals Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
48	Starlife Enterprises India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
49	Maanam Corporation (Opc) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
50	Intersoftkk (India) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
51	Visaag Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
52	Fairhomes Interior Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
53	Z-Axis Decors Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
54	Aguaz Water Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
55	Sharmila Manpower Solutions Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
56	Venerate Exports Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
57	Midshipmite Recruiters Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
58	Alen Fab Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
59	Jacob And Sons Trading Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
60	Green Velly Pesticides Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
61	Virsun Organic India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
62	Axelerant Infra (India) Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
63	Isavgo Technologies Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
64	Se Consultancy Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
65	Taral Pharma Machinery Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
66	Tera Ventura Agro And Textiles Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
67	Dinora International India Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
68	Shri Laxmi Chemicals And Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
69	Biofix Infiniumz Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
70	Aasara Pre-Fab Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
71	Hansru Industries Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
72	Informatics E-Tech (India) Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
73	Diamenta Jewels Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
74	Sapphire Industrial Products Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
75	Aasthaa Airttech Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
76	Super Transports Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*
77	Yo Dry Fruits Private Limited	Revenue and contract liabilities	Customer	-*	-*	-*	-*

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
78	Green Handle Products Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
79	Sha Hydraulics Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
80	Prinz Infosoft Systems Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
81	Connectia Tech Services Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
82	Accu Meditech Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
83	Access 1 Solution Digital Marketing Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
84	Panacea Natural Greens India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
85	Kazhugu Alavukol Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
86	Abpx Pharma Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
87	Beetaair Solutions Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
88	Aloe Pharmacy Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
89	Sant Krupa Steel India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
90	Eurosia Irrigation Systems Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
91	K. S. R. Brothers Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
92	Jumboo Deep Adventures & Tours Private Limited.	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
93	Exhicon World Exhibit Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
94	Maxin Hydro Dynamic India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
95	Nesa Radiation Solutions Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
96	Bvr Toys And Furnitures Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
97	Js Hawkers India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
98	Saral Filtration Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
99	Embassy Stones Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
100	Lavl Automotive India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
101	R Tex Spin Mach Private Ltd.	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
102	Aarts Creative Studio Opc Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
103	K. P. Fabricators & Engineers (Gujarat) Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
104	Mazda Agencies Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
105	Manmohan Marketing Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
106	Vacatio Leisures Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
107	Fast Care India Pest Control Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
108	Fannar Exim Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
109	Microsidd India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
110	Infrawave Ites Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
111	Disti (India) Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
112	Dia Overseas Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
113	Bizkraft Concepts Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
114	Primero Meditech Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
115	Grey Box Technologies Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
116	Purofyhealth Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
117	Aplast International Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
118	Axiomata Elevators Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
119	Amruta Pharmaceutical Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
120	Luxorian Corporate Services Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
121	Tgs Vertical Transportation Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
122	Gdc Agro Foods Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
123	Purplepro It Solutions India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
124	Telesis Consultancy Services Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
125	Tot'Strunk Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
126	Goeco Solar Power Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
127	Vividha Arts Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
128	Striker Security Services Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
129	Heritage Manufacturing Company Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
130	Brivon Pharmatec Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
131	D1 Engineering And Constructions (Opc) Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
132	Incon Technologies Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
133	Eleczio (Opc) Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
134	Lunatic Craftwork Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
135	Akara Exim Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
136	Ovata Seal Construction Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
137	Dpass Multi Solutions Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
138	Strawsun Manufacture Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
139	Gintara Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
140	Solsun Power (Opc) Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
141	Ashwanthana Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
142	Abba Cure & Care Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
143	Dream Success Inframart Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
144	We Sprout Landscapers (Opc) Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
145	Ab Brothers Private Limited (Opc)	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
146	Nlive Electronics India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
147	Clarismart Technologies Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
148	Kings And Queens Impex Private Limited (Opc)	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
149	Majesty Aaron Elevators India Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
150	Alfatech Thermal Engineers Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
151	Kagazi Crafts Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
152	Oum Sound & Acoustic Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
153	Seastar Watersport Products Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
154	Jingea Art Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
155	Naksh Technologies Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*

# Notes to Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

## 38 ADDITIONAL REGULATORY INFORMATION (Contd.)

S. No.	Name of the struck off company	Nature of Transactions	Relationship	Year ended			
				31 March 2022		31 March 2021	
				Transaction amount	Balance outstanding	Transaction amount	Balance outstanding
156	Rrootofly Online Services Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
157	Rubicon Ro Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
158	Aqua Purity Industries Private Limited	Revenue and contract liabilities	Customer	₹*	₹*	₹*	₹*
159	Puran Associates Private Limited	-	Shareholders #	-	-	-	-
160	Avanti Realtors Private Limited	-	Shareholders #	-	-	-	-
161	Rishiroop Polymers Pvt Ltd	-	Shareholders #	-	-	-	-
162	Ratna Commercial Enterprises Pvt Ltd	-	Shareholders #	-	-	-	-

\* Less than INR 0.5 Millions.

# Shareholders means persons holding the securities of the company.

## 39 EVENTS AFTER THE REPORTING PERIOD

- a) The Group has evaluated all the subsequent events through 28 April 2022, which is the date on which these consolidated financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the consolidated financial statements.
- b) The group acquired 100% equity ownership in Busy Infotech Private Limited on 06 April 2022 for the aggregate consideration of INR 5,000 Million thereby becoming the wholly owned subsidiary of the Group.
- c) **Dividend**  
Dividends declared by the Company are based on the profit available for distribution. On April 28 2022, the Board of Directors of the Company have proposed a final dividend of INR 2/- per share in respect of the year ended 31 March 2022 subject to the approval of shareholders at the Annual General Meeting.

As per our report of even date

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

Chartered Accountants

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

**Kanika Kohli**

Partner

Membership No.: 511565

Place: Gurugram

Date: 28 April 2022

For and on behalf of the Board of Directors of

**IndiaMART InterMESH Limited**
**Dinesh Chandra Agarwal**

(Managing Director &amp; CEO)

DIN: 00191800

**Prateek Chandra**

(Chief Financial Officer)

Place: Noida

Date: 28 April 2022

**Brijesh Kumar Agrawal**

(Whole-time Director)

DIN: 00191760

**Manoj Bhargava**

(Company Secretary)





## **INDIAMART INTERMESH LIMITED**

**CIN No.: L74899DL1999PLC101534**

### **REGISTERED OFFICE OF THE COMPANY**

1<sup>st</sup> Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002, India

**Tel:** +91-11-45608941

### **CORPORATE OFFICE OF THE COMPANY**

**IndiaMART InterMESH Limited**

6<sup>th</sup> Floor, Tower 2, Assotech Business Cresterra, Plot No. 22, Sector 135,

Noida-201305, Uttar Pradesh, India

**Tel:** +91-96969 69696

[www.indiamart.com](http://www.indiamart.com)

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