

# B S R & Co. LLP

Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of IndiaMART InterMESH Limited

### Opinion

We have audited the condensed consolidated interim 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 condensed consolidated interim balance sheet as at 31 December 2022, the condensed consolidated interim statement of profit and loss (including other comprehensive income) for the quarter and year-to-date period then ended, the condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the year-to-date period then ended, and notes to the condensed consolidated interim financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the condensed consolidated interim financial statements") as required by Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" and other accounting principles generally accepted in India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid condensed consolidated interim financial statements give a true and fair view in conformity with Ind AS 34 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 December 2022, of consolidated profit and other comprehensive income for the quarter and year-to-date period then ended, and consolidated changes in equity and its consolidated cash flows for the year-to-date period ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Condensed Consolidated Interim Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Condensed Consolidated Interim Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with Ind AS 34 prescribed under section 133 of the Act and other accounting principles generally accepted in India. 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 of the assets of the Group 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 condensed consolidated interim 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 condensed consolidated interim financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the condensed consolidated interim 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 the Group and of its associates 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 Management and Board of Directors either intends to liquidate the Group 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 the Group and of its associates.

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

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

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

- Identify and assess the risks of material misstatement of the condensed consolidated interim financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the condensed consolidated interim financial

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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 condensed consolidated interim financial statements, including the disclosures, and whether the condensed consolidated interim financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the condensed consolidated interim financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the condensed consolidated interim 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.

#### **Other Matters**

- (a) We did not audit the financial statements of four subsidiaries, whose condensed interim financial statements reflect total assets (before consolidation adjustments) of INR 1,640.17 million as at 31 December 2022, total revenues (before consolidation adjustments) of INR 9.89 million for the quarter and INR 28.37 million for the year-to-date period ended 31 December 2022 and net cash outflows (before consolidation adjustments) amounting to INR 1.90 million for the year-to-date period ended 31 December 2022, as considered in the condensed consolidated interim financial statements. We also did not audit the financial statements of one subsidiary (including its subsidiary), whose condensed interim financial statements reflect total assets (before consolidation adjustments) of INR 336.46 million as at 31 December 2022, total revenues (before consolidation adjustments) of INR 0.16 million for the quarter ended 31 December 2022 and INR 0.43 million for the period from 1 June 2022 to 31 December 2022 and net cash outflows (before consolidation adjustments) amounting to INR 341.84 million for the period from 1 June 2022 to 31 December 2022, as considered in the condensed consolidated interim financial statements. The condensed consolidated interim financial statements also include the Group's share of net loss (and other comprehensive income) of INR Nil for the quarter and INR Nil for the year-to-date period ended 31 December 2022, in respect of an associate, whose condensed interim financial statements have not been audited by us. These condensed interim financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the condensed consolidated interim financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the audit reports of the other auditors.
- (b) The condensed consolidated interim financial statements also include the Group's share of net loss (and other comprehensive income) of INR 94.45 million for the quarter and INR 274.15 million for the year-to-date period ended 31 December 2022, as considered in the condensed consolidated interim financial statements, in respect of seven associates and the Group's share of net profit (and other comprehensive income) of INR 0.58 million for the period from 3 November 2022 to 31 December 2022, in respect of one associate, whose condensed interim financial information have not been audited by us or by other auditors. These unaudited condensed interim financial information have been furnished to us by the

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Management and our opinion on the condensed consolidated interim financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on such unaudited condensed interim financial information. In our opinion and according to the information and explanations given to us by the Management, these condensed interim financial information are not material to the Group.

Our opinion on the condensed consolidated interim financial statements 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 condensed interim financial information certified by the Management.

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

*Chartered Accountants*

ICAI Firm registration No: 101248W/W-100022



**Kanika Kohli**

*Partner*

Membership No: 511565

ICAI UDIN: 23511565BGYGGH7544

Place: Gurugram

Date: 19 January 2023

IndiaMART InterMESH Limited  
Condensed Consolidated Interim Balance Sheet as at 31 December 2022  
(Amounts in INR million, unless otherwise stated)

	Notes	As at 31 December 2022	As at 31 March 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5A	155.84	30.62
Capital work in progress	5A	1.77	1.77
Right-of-use assets	5B	452.65	528.43
Goodwill	6A	4,557.63	-
Other intangible assets	6B	475.43	1.59
Investment in associates	7	2,857.88	2,490.27
<b>Financial assets</b>			
(i) Investments	9	2,285.52	1,719.05
(ii) Loans	9	1.38	0.82
(iii) Other financial assets	9	56.15	39.22
Deferred tax assets (net)	29	31.65	-
Non-current tax assets (net)	19	82.71	233.96
Other non-current assets	10	16.22	40.95
<b>Total Non-current assets</b>		<b>10,974.83</b>	<b>5,086.68</b>
<b>Current assets</b>			
Inventories	8	0.95	-
<b>Financial assets</b>			
(i) Investments	9	20,596.62	23,007.65
(ii) Trade receivables	11	24.37	13.26
(iii) Cash and cash equivalents	12	299.28	495.47
(iv) Bank balances other than (iii) above	12	53.93	272.77
(v) Loans	9	123.80	448.39
(vi) Other financial assets	9	53.62	118.50
Current tax assets (net)		33.54	-
Other current assets	10	46.12	45.79
<b>Total current assets</b>		<b>21,232.23</b>	<b>24,401.83</b>
<b>Total Assets</b>		<b>32,207.06</b>	<b>29,488.51</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	13	305.70	305.53
Other equity	14	19,691.89	18,435.00
<b>Total Equity</b>		<b>19,997.59</b>	<b>18,740.53</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	16 (a)	401.37	462.39
(ii) Other financial liabilities	16 (b)	344.93	-
Contract liabilities	18	3,657.24	3,316.20
Provisions	17	189.63	230.60
Deferred tax liabilities (net)	29	286.92	156.42
<b>Total Non-current liabilities</b>		<b>4,880.09</b>	<b>4,165.61</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	16 (a)	96.22	100.41
(ii) Trade payables	15	-	-
(a) total outstanding dues of micro enterprises and small enterprises		281.44	183.57
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	16 (b)	181.61	203.00
Contract liabilities	18	6,497.61	5,754.18
Other current liabilities	18	190.87	290.93
Provisions	17	74.01	50.28
Current tax liabilities (net)		7.62	-
<b>Total Current liabilities</b>		<b>7,329.38</b>	<b>6,582.37</b>
<b>Total Liabilities</b>		<b>12,209.47</b>	<b>10,747.98</b>
<b>Total Equity and Liabilities</b>		<b>32,207.06</b>	<b>29,488.51</b>

Summary of significant accounting policies 2

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

As per our report of even date attached

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

Kanika Kohli  
Partner  
Membership No : 511565  
Place: Gurugram

Date: 19 January 2023

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

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

Prateek Chandra  
(Chief Financial Officer)

Rajesh Kumar Agarwal  
(Whole-time director)  
DIN: 00191760

Manoj Bhargava  
(Company Secretary)

Place: Noida  
Date: 19 January 2023



IndiaMART InterMESH Limited  
Condensed Consolidated Interim Statement of Profit and Loss for the period ended 31 December 2022  
(Amounts in INR million, unless otherwise stated)

	Notes	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
<b>Income:</b>					
Revenue from operations	20	2,514.21	1,880.71	7,166.64	5,520.83
Other income, net	21	1,022.08	218.90	1,497.82	826.67
<b>Total income</b>		<b>3,536.29</b>	<b>2,099.61</b>	<b>8,664.46</b>	<b>6,347.50</b>
<b>Expenses:</b>					
Purchase of stock in trade	22	-	-	1.55	-
Changes in inventories of Stock-in-Trade	23	0.05	-	0.16	-
Employee benefits expense	24	1,083.44	647.79	3,013.39	1,802.10
Finance costs	25	21.92	13.37	59.49	41.09
Depreciation and amortisation expense	26	86.21	29.58	225.21	89.97
Other expenses, net	27	727.89	445.48	2,134.49	1,212.08
<b>Total expenses</b>		<b>1,919.51</b>	<b>1,136.22</b>	<b>5,434.28</b>	<b>3,146.14</b>
<b>Net profit before share of loss in associates and tax</b>		<b>1,616.78</b>	<b>963.39</b>	<b>3,230.18</b>	<b>3,201.36</b>
Share in net loss of associates		(95.87)	(30.22)	(73.57)	(63.59)
<b>Profit before tax</b>		<b>1,521.91</b>	<b>933.17</b>	<b>2,956.61</b>	<b>3,137.77</b>
<b>Income tax expense</b>					
Current tax	29	255.15	221.82	678.80	758.43
Deferred tax	29	139.44	9.19	0.95	(23.07)
<b>Total tax expense</b>		<b>394.59</b>	<b>231.01</b>	<b>679.75</b>	<b>735.36</b>
<b>Net profit for the period</b>		<b>1,127.32</b>	<b>702.16</b>	<b>2,276.86</b>	<b>2,402.41</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
Re-measurement gain/(losses) on defined benefit plans		17.74	7.80	71.00	11.24
Income tax effect		(4.53)	(2.13)	(17.55)	(3.19)
Other comprehensive income for the year, net of tax		13.21	5.67	53.45	8.05
<b>Total comprehensive income for the period</b>		<b>1,141.53</b>	<b>707.83</b>	<b>2,330.31</b>	<b>2,410.46</b>
<b>Earnings per equity share:</b>	28				
Basic earnings per equity share (INR) - face value of INR 10 each		36.92	23.03	74.67	79.07
Diluted earnings per equity share (INR) - face value of INR 10 each		36.90	22.84	74.40	78.17

**Summary of significant accounting policies**

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

As per our report of even date attached

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

Kanika Kohli  
Partner  
Membership No.: 511565  
Place: Gurugram

Date: 19 January 2023

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

*Degand*  
Dipesh Chandra Agarwal  
(Managing Director and CEO)  
DIN: 00191700

*Prateek Chandra*  
Prateek Chandra  
(Chief Financial Officer)

Place: Noida  
Date: 19 January 2023

*Agarwal*  
Brijesh Kumar Agarwal  
(Whole-time director)  
DIN: 00191700

*Manoj Bhargava*  
Manoj Bhargava  
(Company Secretary)



(a) Equity share capital (Refer Note 13)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2021	303.16
Equity share capital issued on exercise of ESOP during the period	0.28
Equity shares issued to Indiamart Employee Benefit Trust during the period	1.73
Equity shares issued during the earlier period to Indiamart Employee Benefit Trust and transferred to employees pursuant to SAR exercise during the period	0.48
Equity shares issued during the period and held by Indiamart Employee Benefit Trust as at 31 December 2021	(0.12)
As at 1 April 2022	305.53
Equity shares issued to Indiamart Employee Benefit Trust during the period (refer note 13(a))	2.10
Equity shares issued to Indiamart Employee Benefit Trust during the period	0.12
Equity shares issued during the period and held by Indiamart Employee Benefit Trust as at quarter end (refer note 13(a))	(0.45)
Equity shares extinguished on buy back during the period (Refer Note 13)	(1.60)
As at 31 December 2022	305.70

(b) Other equity (Refer Note 14)

Particulars	Securities premium	General reserve	Reserves and surplus			Total other equity
			Employer share based payment reserve	Capital Redemption Reserve	Retained earnings	
Balance as at 1 April 2021	15,310.77	8.45	97.30	-	399.60	15,805.68
Profit for the period	-	-	-	-	2,402.41	2,402.41
Other comprehensive loss for the period	-	-	-	-	8.03	8.03
Total comprehensive income	-	-	-	-	2,410.44	2,410.44
Issue of equity shares via exercise of share based awards during the period	72.40	-	(69.55)	-	-	2.51
Employee share based payment expense (Refer Note 24)	-	-	32.53	-	-	32.53
Final dividend paid (INR 15/- per share for financial year ended 31 March 2021)	-	-	-	-	(455.16)	(455.16)
Balance as at 31 December 2021	15,383.23	8.45	59.96	-	2,344.58	17,796.02
Balance as at 1 April 2022	15,383.23	8.45	130.14	-	2,913.14	18,435.00
Profit for the period	-	-	-	-	2,278.66	2,278.66
Other comprehensive loss for the period	-	-	-	-	51.43	51.43
Total comprehensive income	-	-	-	-	2,332.31	2,332.31
Employee share based payment expense (Refer Note 24)	-	-	229.44	-	-	229.44
Buy-back of equity shares	-	-	-	1.60	(1,000.00)	(998.40)
Tax on buy-back of equity shares	-	-	-	-	(252.59)	(252.59)
Expenses for buy-back of equity shares	-	-	-	-	(12.78)	(12.78)
Final dividend paid (INR 20/- per share for financial year ended 31 March 2022)	-	-	-	-	(161.09)	(161.09)
Balance as at 31 December 2022	15,383.23	8.45	359.60	1.60	2,939.01	19,691.90

Income of INR 53.45 and INR 8.05 on termination of defined benefit plans (net of tax) is recognised as a part of retained earnings for nine months ended 31 December 2022 and 31 December 2021 respectively.

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

As per our report of even date attached

For H N R & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 101248W-W-100022

Kaushal Kohli  
Partner  
Membership No.: 511565  
Place: Gurugram

Date: 19 January 2023

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

Prateek Chandra  
(Managing Director and CEO)  
DIN: 01118099

Prateek Chandra  
(Chief Financial Officer)

Place: Noida  
Date: 19 January 2023

Brish Kumar Agarwal  
(Whole-time director)  
DIN: 01191360

Mahesh Bhargava  
(Company Secretary)



IndiaMART InterMESH Limited  
Condensed Consolidated Interim Statement of Cash Flows for the period ended 31 December 2022  
(Amounts in INR million, unless otherwise stated)

Particulars	Notes	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
Profit before tax		2,956.61	3,137.77
<i>Adjustments to reconcile profit before tax to net cash flows</i>			
Depreciation and amortisation expense	26	225.21	89.97
Interest, dividend and other income	21	(27.06)	(47.39)
Gain on de-recognition of Right-of-use assets	21	(4.71)	(1.30)
Provisions and liabilities no longer required written back	21	(1.34)	(4.69)
Fair value gain on measurement, interest and income from sale of mutual funds, bonds, debentures, units of investment trust and alternative investment funds	21	(611.82)	(752.34)
Fair value gain on measurement and sale of Investment in other entities	21	(837.99)	(7.72)
Gain on disposal of property, plant and equipment	21	(2.87)	(1.55)
Finance costs	25	59.49	41.09
Allowances for doubtful debts		0.18	0.72
Share-based payment expense	24	229.44	32.53
Share of net loss of associates		273.57	63.59
		<u>2,258.71</u>	<u>2,550.68</u>
<b>Changes in:</b>			
Trade receivables		73.39	1.21
Other financial assets		88.45	13.48
Inventory		0.21	-
Other assets		3.43	(11.23)
Other financial liabilities		(32.85)	(42.94)
Trade payables		62.70	14.71
Contract liabilities		841.17	639.30
Provisions and other liabilities		(83.02)	(53.70)
<b>Cash generated from operations</b>		<u>3,212.18</u>	<u>3,111.51</u>
Income tax paid (net)		<u>(541.20)</u>	<u>(663.88)</u>
<b>Net cash generated from operating activities</b>		<u>2,670.99</u>	<u>2,447.63</u>
<b>Cash flow from investing activities</b>			
Proceeds from sale of property, plant and equipment		11.34	1.79
Purchase of property, plant and equipment, other intangible assets and capital advances		(166.09)	(0.10)
Purchase of current investments		(14,806.92)	(15,778.23)
Inter-corporate deposits placed with financial institutions		(200.47)	(431.63)
Redemption of inter-corporate deposits placed with financial institutions and body corporates		531.10	510.30
Proceeds from sale of current investments		17,953.82	14,549.99
Interest and dividend received		344.22	137.19
Payment for acquisition (net of cash acquired)		(5,080.53)	-
Investment in bank deposits (includes earmarked balances with bank) (having original maturity of more than three months)		(26.94)	(351.10)
Redemption of bank deposits		343.56	377.97
Investment in associates and other entities		(644.13)	(1,122.78)
Proceeds from sale of investment in associates and other entities		274.48	-
<b>Net cash generated from (used in) investing activities</b>		<u>(1,466.56)</u>	<u>(2,106.60)</u>
<b>Cash flow from financing activities</b>			
Repayment of lease liabilities		(60.21)	(53.54)
Interest paid on lease liabilities	25	(35.83)	(41.09)
Dividend paid		(60.98)	(455.16)
Expenses for buy-back of equity shares (Refer Note 12)		(12.78)	-
Tax on buy-back of equity shares (Refer Note 12)		(232.59)	-
Buy-back of equity shares (Refer Note 12)		(1,000.00)	-
Proceeds from issue of equity shares on exercise of share based awards		1.77	4.88
<b>Net cash used in from financing activities</b>		<u>(1,400.62)</u>	<u>(544.91)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(196.20)</u>	<u>(203.86)</u>
Cash and cash equivalents at the beginning of the period	12	495.47	401.19
<b>Cash and cash equivalents at the end of the period</b>	12	<u>299.28</u>	<u>197.31</u>

Summary of significant accounting policies

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

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Kanika Kohli

Partner

Membership No.: 511565

Place: Gurugram

Date: 19 January 2023

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

Bhishu Chandra Agarwal  
(Managing Director and CEO)  
DIN:00191800

Brijesh Kumar Agrawal  
(Whole-time director)  
DIN:00191780

Prateek Chandra  
(Chief Financial Officer)

Manoj Bhargava  
(Company Secretary)

Place: Noida  
Date: 19 January 2023





**IndiaMART InterMesh Limited****Notes to condensed consolidated interim financial statements for the period ended 31 December 2022**

(Amounts in INR million, unless otherwise stated)

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**1. Corporate Information**

The condensed consolidated interim financial statements comprise the condensed interim financial statements of IndiaMART InterMesh Limited ("the Company") and its subsidiaries (collectively referred to as "the Group") and its associates.

The Company is a public company domiciled in India and was incorporated on 13 September 1999 under the provisions of the Companies Act applicable in India. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India. The Company 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 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The condensed consolidated interim financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 19 January 2023.

**2. Summary of Significant Accounting Policies****(a) Statement of compliance**

The condensed consolidated interim financial statements for the period ended 31 December 2022 have been prepared in accordance with Indian Accounting Standard (referred to as "Ind AS") 34, Interim Financial Reporting and other Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act, 2013 ("the Act") (as amended from time to time). These condensed consolidated interim financial statements must be read in conjunction with the consolidated financial statements for the year ended 31 March 2022. They do not include all the information required for a complete set of Ind AS financial statements. However, selected explanatory notes are included to explain events and transactions that management believes are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

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

**(b) Basis of Preparation**

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

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

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

**(c) Basis of consolidation**

The Company consolidates all entities which are controlled by it. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.



**IndiaMART InterMesh Limited****Notes to condensed consolidated interim financial statements for the period ended 31 December 2022**

(Amounts in INR million, unless otherwise stated)

An associate is an entity over which the Group has significant influence, but not control or joint control over financial and operating policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the condensed consolidated interim statement of profit and loss.

**(d) Revenue from contracts with customers and other income****Revenue from contracts with customers**

The Group is engaged primarily in providing web related services and accounting software 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 specific recognition criteria described below must also be met before revenue is recognised.

**Rendering of services**

Revenue from web based 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.

Revenue from term license software for accounting software services is recognized at a point in time when control is transferred to the end user. Control is transferred when the end user activates the license procured from the Company. In case of renewals of proprietary term licenses with existing customers, revenue from term license is recognized at a point in time when the renewal is activated by the end user. Revenue from support and subscription (S&S) is recognized over the contract term on a straight-line basis as the Company is providing a service of standing ready to provide support, when-and-if needed, and is providing unspecified software upgrades on a when-and-if available basis over the contract term. In case softwares are bundled with support and subscription for term based license, such support and subscription contracts are generally priced as a percentage of the net fees paid by the customer to purchase the license and are generally recognized as revenues rateably over the contractual period that the support services are provided.

Revenue from sale of services is based on the price agreed with the customers, net of discounts.

Advertising revenue is derived from displaying web based banner ads and sale of online advertisements.

Revenue from banner advertisement is recognised on a pro rata basis over the period of display of advertisement as per the terms of the 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).

***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 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 selling price of the service arises for reasons other than the provision of finance.



**IndiaMART Intermesh Limited****Notes to condensed consolidated interim financial statements for the period ended 31 December 2022**

(Amounts in INR million, unless otherwise stated)

**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.

**(c) Business combinations, goodwill and Intangibles**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred which is measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree at fair value. Acquisition related costs are expensed as incurred. Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized as capital reserve after reassessing the fair values of the net assets.

Intangible assets acquired in a business combination are measured at their fair value at the date of acquisition.

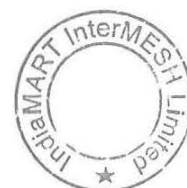
Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period.

**3. Significant accounting estimates and assumptions**

The preparation of condensed consolidated interim financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The significant judgements made by management in applying the Group's accounting policies and key sources of estimation and uncertainty were the same as those described in the last annual consolidated financial statements for the year ended 31 March 2022.



**IndiaMART InterMesh Limited****Notes to condensed consolidated interim financial statements for the period ended 31 December 2022**

(Amounts in INR million, unless otherwise stated)

**Measurement of fair values**

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

The Group's management determines the policies and procedures for recurring fair value measurement, such as investment in equity instruments and preference instruments, investments in mutual funds, exchange traded funds, bonds, debentures, units of investment trust and units of alternative investment funds measured at fair value.

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 condensed consolidated interim financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

For assets and liabilities that are recognised in the condensed consolidated interim 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.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

**4. Segment Information**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

Pursuant to acquisition of Busy Infotech Private Limited and Livekeeping Technologies Private Limited (Formerly known as Finlite Technologies Private Limited) in the period ended 31 December 2022, the Group has identified two business segments namely "Web and related Services" and "Accounting Software Services" as reportable segments based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems.

Web and related services are business-to-business e-marketplace services which act as an interactive hub for domestic and international buyers and suppliers. Accounting software services include business of development, system analysis, designing and marketing of integrated business accounting software to help and manage businesses with increased efficiency.

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in Note 2 on significant accounting policies. The accounting policies in relation to segment accounting are as under:

**(a) Segment revenue and expenses**

Segment revenue is directly attributable to the segment and segment expenses have been allocated to various segments on the basis of specific identification. However, segment revenue does not include other income.

**(b) Segment assets and liabilities**

Assets and liabilities directly attributable or allocable to segments are disclosed under each reportable segment.



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>						
As at 01 April 2021	113.02	49.09	4.03	3.80	169.94	1.77
Additions for the year	20.28	0.14	-	-	20.42	-
Disposals for the year	(17.72)	(0.55)	-	(0.02)	(18.29)	-
As at 31 March 2022	115.58	48.68	4.03	3.78	172.07	1.77
Acquisitions through business combinations (refer note 34)	1.73	1.29	1.61	4.42	9.05	-
Additions for the period	180.50	1.41	0.33	7.18	189.42	-
Disposals for the period	(9.68)	(3.50)	(2.11)	(8.11)	(23.40)	-
As at 31 December 2022	288.13	47.88	3.86	7.27	347.14	1.77
<b>Accumulated depreciation</b>						
As at 01 April 2021	103.79	38.29	2.96	2.59	147.63	-
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)	-
As at 31 March 2022	92.51	42.73	3.26	2.95	141.45	-
Charge for the period	60.56	2.41	0.36	1.46	64.78	-
Disposals during the period	(8.93)	(2.39)	(0.66)	(2.96)	(14.93)	-
As at 31 December 2022	144.14	42.75	2.96	1.45	191.30	-
<b>Net Carrying value</b>						
As at 01 April 2021	9.23	10.80	1.07	1.21	22.30	1.77
As at 31 March 2022	23.07	5.95	0.77	0.83	30.62	1.77
As at 31 December 2022	143.99	5.13	0.90	5.82	155.84	1.77

**Note:**

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



**5B Right-of-use asset**

	Leasehold land (Refer Note 1 below)	Buildings	Total
<b>Gross carrying amount</b>			
As at 01 April 2021	37.12	834.55	871.67
Additions for the year	-	20.25	20.25
Disposals for the year	-	(20.20)	(20.20)
As at 31 March 2022	37.12	834.60	871.72
Acquisitions through business combinations (refer note 34)	-	2.79	2.79
Additions for the period	-	19.21	19.21
Disposals for the period	-	(50.68)	(50.68)
As at 31 December 2022	37.12	805.92	843.04
<b>Accumulated depreciation</b>			
As at 01 April 2021	2.30	243.72	246.02
Depreciation for the year	0.46	106.00	106.46
Disposals for the year	-	(9.19)	(9.19)
As at 31 March 2022	2.76	340.53	343.29
Depreciation for the period	0.35	76.45	76.80
Disposals for the period	-	(29.70)	(29.70)
As at 31 December 2022	3.11	387.28	390.39
<b>Net Carrying value</b>			
As at 01 April 2021	34.82	590.83	625.65
As at 31 March 2022	34.36	494.07	528.43
As at 31 December 2022	34.01	418.64	452.65

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



**IndiaMART InterMESH Limited****Notes to Condensed Consolidated Interim Financial Statements for the period ended 31 December 2022**

(Amounts in INR million, unless otherwise stated)

**6A Goodwill****As at  
31 December 2022**

Acquisitions through business combinations	4,557.63
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Carrying value of goodwill was allocated to "Accounting Software services" cash generating unit in the period ended 31 December 2022 as follows :

	Accounting Software services
Opening balance as at 1 April 2022	-
Acquisitions through business combination (refer note 34)	4,557.63
Closing balance as at 31 December 2022	4,557.63

The Group tests goodwill for impairment on March 31, or more frequently when there is indication for impairment.



6B Other Intangible assets

	Software	Unique telephone numbers	Technology	Channel Network	Total
Gross carrying amount					
As at 01 April 2021	15.05	4.70	-	-	19.75
Additions	0.02	-	-	-	0.02
As at 31 March 2022	15.07	4.70	-	-	19.77
Acquisitions through business combinations (refer note 34)	0.77	-	191.08	365.62	557.47
Additions	-	-	-	-	-
As at 31 December 2022	15.84	4.70	191.08	365.62	577.24
Accumulated depreciation					
As at 01 April 2021	12.70	4.34	-	-	17.04
Amortisation for the year	0.99	0.15	-	-	1.14
As at 31 March 2022	13.69	4.49	-	-	18.18
Amortisation for the period	0.64	0.07	28.08	54.84	83.63
As at 31 December 2022	14.33	4.56	28.08	54.84	101.81
Net Carrying value					
As at 01 April 2021	2.35	0.36	-	-	2.71
As at 31 March 2022	1.38	0.21	-	-	1.59
As at 31 December 2022	1.51	0.14	163.00	310.78	475.43





7 Investment in associates- Unquoted

(Accounted under equity method)	As at 31 December 2022		As at 31 March 2022	
	No. of units	Amount	No. of units	Amount
<b>Fully paid up - at cost</b>				
<b>Investments in Simply Vyapar Apps Private Limited</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
Compulsory convertible preference shares of INR 100 each (at premium of INR 2,90,261 each) in Simply Vyapar Apps Private Limited	1,809	525.26	1,809	525.26
Equity shares of INR 10 each (at premium of INR 2,03,242 each) in Simply Vyapar Apps Private Limited	444	90.24	444	90.24
Investment made during the current period (Equity shares of INR 10 each and premium of INR 2,90,351 each) in Simply Vyapar Apps Private Limited	137	39.78	-	-
Less: Share of loss of associate		(270.48)		(139.91)
<b>Investments in Mobisy Technologies Private Limited</b>				
Compulsory convertible preference shares of INR 1 each (at premium of INR 776 each)	1,28,593	99.92	-	-
Equity shares of INR 1 each (at premium of INR 776 each)	100	0.07	-	-
Compulsory convertible preference shares of INR 1 each (at premium of INR 836 each)	1,19,474	100.00	-	-
Investment in Compulsory convertible preference shares of INR 1 each (at premium of INR 1,222/- each) in Mobisy Technologies Private Limited (Refer Note 2 below)	1,05,607	129.20	-	-
Equity shares of INR 1 each (at premium of INR 837 each)	17,750	14.86	-	-
Investment in Equity shares of INR 1 each (at premium of INR 1,222/- each) in Mobisy Technologies Private Limited (Refer Note 2 below)	17,963	21.98	-	-
Fair value gain recognised through profit and loss till the date entity has become an associate (Refer note 2 below)		366.03	-	-
Add: Share of profit of associate		97.87	-	-
		0.58	-	-
<b>Investments in Ten Times Online Private Limited</b>				
Equity shares of INR 10 each (at premium of INR 40 each) in Ten Times Online Private Limited		0.93		0.93
Less: Share of loss of associate		(0.93)		(0.93)
<b>Investments in Truckhall Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 7,467 each) in Truckhall Private Limited	12,846	96.05	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	1,879	14.05
Less: Share of loss of associate		(23.74)		(9.12)
<b>Investments in Shipway Technology Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 43,446 each) in Shipway Technology Private Limited	4,088	177.65	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	100	4.35
Less: Share of loss of associate		(12.74)		(6.22)
<b>Investments in Agillos E-Commerce Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 60,311 each) in Agillos E-Commerce Private Limited	2,694	162.50	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	2,241	97.50
Less: Share of loss of associate		(23.28)		(5.11)
<b>Investments in Edgewise Technologies Private Limited</b>				
Compulsory Convertible Preference Shares of INR 10 each (at premium of INR 27,314 each) in Edgewise Technologies Private Limited	4,784	130.72	4,784	130.72
Equity Shares of INR 10 each (at premium of INR 27,314 each) in Edgewise Technologies Private Limited	100	2.73	100	2.73
Less: Share of loss of associate		(7.62)		(0.04)
<b>Investments in IB Monotaro Private Limited</b>				
Equity shares of INR 10 each (at premium of INR 1,274.15 each) in IB Monotaro Private Limited	8,11,250	1,041.77	8,11,250	1,041.77
Less: Share of loss of associate		(93.49)		(4.17)
<b>Investments in Adansa Solutions Private Limited</b>				
Equity shares of INR 1000 each (at premium of INR 10,28,411.76 each) in Adansa Solutions Private Limited (Refer Note 1 below)	20	20.60	-	-
Compulsory Convertible Preference shares of INR 10 each (at premium of INR 14,696 each) in Adansa Solutions Private Limited (Refer Note 1 below)	7,950	116.90	-	-
Less: Share of loss of associate		(7.37)		-
		<b>2,857.88</b>		<b>2,490.27</b>

Notes:

1. During the period ended 31 December 2022, the Group has invested INR 137.50 in Adansa Solutions Private Limited. Considering the percentage of ownership and board representation rights of the group, this investment was classified an associate.

2. During the quarter ended 31 December 2022, the company has further invested into the shares of Mobisy Technologies Private Limited, thereby increasing the equity ownership on fully converted and diluted basis to 25.08%. Mobisy Technologies Private Limited has now become an associate of the Company with effect from 03 November 2022. Its fair value has been recorded till the date it has become an associate.

8 Inventories

	As at 31 December 2022	As at 31 March 2022
Stock in trade	0.95	-
	<b>0.95</b>	<b>-</b>



9 Financial assets

	As at 31 December 2022		As at 31 March 2022	
<b>i) Investments</b>				
<b>Non-current</b>				
a) Investment in other entities at FVTPL			2,285.52	1,719.05
			<u>2,285.52</u>	<u>1,719.05</u>
<b>Current</b>				
Investment in mutual funds and exchange traded funds at FVTPL			10,129.18	15,744.84
Investment in bonds and debentures at FVTPL			9,983.16	6,832.57
Investments in Investment Trust- Quoted (measured at FVTPL)			484.28	327.63
Investments in Alternative investment funds at FVTPL			-	102.61
			<u>20,596.62</u>	<u>23,007.65</u>
	As at 31 December 2022		As at 31 March 2022	
	No. of units	Amount	No. of units	Amount
<b>a) Non-current investments</b>				
<b>Investment in others entities</b>				
<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	5,510	-	5,500	-
0.001% Optionally convertible redeemable preference share of INR 10 each	-	-	12,446	-
0.001% Compulsorily convertible preference share of INR 10 each	16,200	-	3,764	-
Equity shares sold during the period (Refer Note 5 below)	(5,500)	(137.17)	-	-
Fair value gain on measurement and income from sale of Investment till date		523.91		-
<b>Mobisy Technologies Private Limited</b>				
Compulsory convertible preference shares of INR 1 each (at premium of INR 776 each) (Refer note 7)	-	-	1,28,593	99.92
Equity shares of INR 1 each (at premium of INR 776 each) (Refer note 7)	-	-	100	0.07
Compulsory convertible preference shares of INR 1 each (at premium of INR 836 each) (Refer note 7)	-	-	1,19,474	100.00
Equity shares of INR 1 each (at premium of INR 837 each) (Refer note 7)	-	-	17,750	14.86
Fair value gain recognised through profit and loss till date		-		214.85
				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	1,146	5.89
Compulsory convertible preference shares of INR 10 each (at premium of INR 4,104.14 each)	1,580	6.50	1,580	6.50
Compulsory convertible preference shares of INR 10 each (at premium of INR 58,120.00 each) (Refer Note 3 below)	1,290	75.00	-	-
Equity shares of INR 10 each (at premium of INR 5,132.68 each)	100	0.51	100	0.51
Compulsory convertible debentures of INR 1,000 each	-	87.90	75,000	75.00
Fair value gain recognised through profit and loss during the period		74.28		87.90
<b>Mynd Solutions Private Limited</b>				
Equity shares of INR 10 each (at premium of INR 87.21 each)	33,36,489	324.34	33,36,489	324.34
Compulsory convertible preference shares of INR 10 each INR (at premium of INR 149.32 each) in Mynd Solutions Private Limited	15,10,656	240.68	-	-
Sale of equity shares of Mynd Solutions Private Limited (Refer Note 4 below)	(8,61,852)	(137.31)	-	324.34
Fair value gain on measurement and income from sale of Investment till date		149.65		-
<b>Zimyo Consulting Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 86,306.32/- each)	1,870	161.41	1,870	161.41
Equity shares of INR 10 each (at premium of INR 86,306.32/- each)	100	8.63	100	8.63
		170.04		170.04
<b>Fleets Technologies Private Limited</b>				
Compulsory convertible preference shares of INR 10 each (at premium of INR 67,420/- each)	10,323	696.08	10,323	696.08
Equity shares of INR 10 each (at premium of INR 57,315/- each)	3,805	218.12	3,805	218.12
		914.20		914.20
<b>Investment in debt instruments</b>				
Investment made in 0.0001% Compulsory convertible debentures of INR 1000 each in Truckhall Private Limited (Refer Note 1 below)	75,000	75.00		-
<b>Total non-current investments</b>		<u>2,285.52</u>		<u>1,719.05</u>
		<u>2,285.52</u>		<u>1,719.05</u>

- During the period ended 31 December 2022, the Group has further invested INR 75.00 in Truckhall Private Limited in Compulsory Convertible Debentures.
- The Group has invested in equity, convertible preference, and convertible debt instruments of other entities, based on the terms these instruments are measured at fair value through profit and loss.
- During the period ended 31 December 2022, the investment in Compulsory convertible debentures of Legistify Services Private limited has been converted into 1,290 convertible preference shares of the Company for INR 58,130 per share as per the terms and conditions of the agreement.
- During the period ended 31 December 2022, the Company has sold 861,852 equity shares for 159.32/- each of Mynd Solutions Private Limited amounting to INR 137.31 and simultaneously purchased 15,10,656 Compulsory convertible preference shares for 159.32/- each amounting to INR 240.68. Subsequent to these transactions, the equity ownership on fully converted and diluted basis in Mynd Solutions Private Limited stands at 9.2%.
- During the period ended 31 December 2022, the Group has sold equity shares of Instant Procurement Services Private Limited of INR 137.17. Further the 12,446 OCRPS has been converted into 12,436 0.001% Compulsory convertible redeemable preference share and 10 equity shares. Subsequent to these transactions, the equity ownership on fully converted and diluted basis in Instant Procurement Services Private Limited stands at 19.52%.



b) Current investments

Investment in mutual funds and exchange traded funds - Quoted (measured at FVTPL)*	As at 31 December 2022		As at 31 March 2022	
	No. of units	Amount	No. of units	Amount
Aditya Birla Sun Life Short Term Fund	-	-	57,65,040	233.71
Aditya Birla Sun Life Corporate Bond Fund - Regular Growth	-	-	65,08,526	587.00
Aditya Birla Sun Life Corporate Bond Fund	97,25,704	913.58	1,02,64,505	936.18
Aditya Birla Sun Life Overnight fund	4	0.01	3,69,604.50	424.93
Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund	2,38,94,528	245.47	-	-
ABSL Crisil AAA Jun 2023 Index Fund Reg G	39,99,365	41.30	-	-
ABSL Arbitrage Fund - Growth	9,30,405	20.74	-	-
Bharat Bond ETF April-2023	4,00,000	483.06	4,00,000	467.94
Bharat Bond ETF April-2025	3,79,992	415.99	3,79,992	411.48
Bharat Bond FOF April 2023	55,34,867	66.85	-	-
Edelweiss Arbitrage Fund Direct- Growth	4,36,64,568	748.15	4,36,64,568	719.74
Edelweiss NIFTY PSU Bond Plus SDL Apr 2026 50:50 Index Fund	4,74,76,047	516.65	4,74,76,047.26	509.92
HDFC Short Term Debt Fund	1,04,887	2.77	52,05,920	136.49
HDFC Short Term Debt Fund - Regular Plan	-	-	6,93,662	17.82
HDFC Low Duration Fund	2,49,68,530	1,288.39	2,49,68,530	1,243.14
HDFC Money Market Fund	-	-	2,57,730	1,199.68
HDFC Ultra Short Term Fund	-	-	10,09,61,709	1,253.22
ICICI Prudential Banking & PSU Debt	4,12,300	11.17	-	-
ICICI Prudential Corporate Bond - Growth	6,64,641	16.32	-	-
ICICI Prudential Savings Fund	38,60,607	1,753.55	38,60,607	1,689.84
ICICI Prudential Short Term Fund	-	-	1,41,01,249	719.80
ICICI Prudential Short Term Fund - Regular Growth	3,61,528	17.96	3,93,503	18.80
ICICI Prudential Equity Arbitrage Fund	6,65,887	20.24	3,73,37,769	1,093.64
ICICI Prudential Liquid Fund	3,72,925	122.18	-	-
ICICI Prudential Corporate Bond Fund	1,69,49,268	471.51	-	-
IDFC Low Duration Fund	-	-	1,52,16,251	484.79
IDFC Bond Fund - Short Term Plan	-	-	70,06,559	343.30
IDFC Banking & PSU Debt Fund	12,05,754	24.78	-	-
Kotak Corporate Bond Fund	1,50,439	485.26	1,98,665	622.39
Kotak Liquid Fund	56,326	251.94	-	-
Kotak Nifty SDL Apr 2027 Top 12 Eq Wt Index Fund	4,40,06,226	447.65	-	-
Kotak Equity Arbitrage Fund	1,35,30,512	445.65	4,27,49,473	1,353.83
Kotak Overnight Fund	14,170	16.68	-	-
Nippon India Floating Rate Fund	-	-	2,69,60,878.56	1,017.62
Nippon India Liquid Fund	15,226	82.45	-	-
SBI Nifty 50 ETF	14,50,000	272.66	14,50,000	259.58
SBI Liquid Fund	30,258	104.86	-	-
Aditya Birla Sun Life Liquid Fund	3,02,660	108.01	-	-
SBI S&P BSE Sensex ETF	5,16,000	336.89	-	-
SBI Nifty Index Fund	5,02,335	82.21	-	-
UTI Nifty 50 ETF	1,35,000	261.31	-	-
UTI Liquid Cash Plan	14,595	52.94	-	-
<b>Total</b>		<b>10,129.18</b>		<b>15,744.84</b>
<b>Investment in bonds and debentures- Quoted (measured at FVTPL)</b>				
Bajaj Finance bond	200	205.68	200.00	201.02
Canara Bank perpetual bond	30	317.47	20.00	202.46
Export Import Bank Of India Bond	200	199.44	200.00	200.14
HDFC bank Perpetual Bond	20	203.23	400	432.94
HDFC 2023 Coupon Bond	800	810.57	650.00	661.72
ICICI Bank Infra Bond	100	101.65	-	-
India Infradebt fund NCD	100	104.76	100.00	100.72
IRFC Perpetual Bond	250	250.59	250.00	255.97
ICICI Home Finance company MLD	150	150.12	-	-
LIC Housing Finance Bond	1,000	1,003.20	500.00	515.77
Mahindra & Mahindra Zero coupon bonds	200	167.09	-	-
M&M Finance ZCB 21 May 2025	200	41.77	-	-
NABARD Bond	1,500	1,511.74	1,150.00	1,159.17
Piramal Enterprise Debentures (Market linked)	180	196.53	180.00	187.79
PNB perpetual Bond	10	108.39	10.00	101.85
Power Grid Corporation of India Limited Bond	55	70.64	55.00	75.14
Power Finance Corporation Ltd - Bond	558	572.86	-	-
REC Bond	998	1,025.37	595.00	643.83
SBI Perpetual Bond	210	1,121.05	50.00	515.16
7.75% SBI Sept 2027	5	50.76	-	-
Shriram Transport Debentures (Market linked)	100	112.91	100.00	107.81
Bank of Baroda Perpetual Bond	10	102.54	-	-
SBI Coupon Bond	500	486.28	500.00	508.15
SIDBI Bond	650	656.18	650.00	650.74
Tata Cleantech MLD	250	251.41	-	-
Union Bank Perpetual Bond	15	160.93	15.00	151.11
<b>Total</b>		<b>9,983.16</b>		<b>6,832.57</b>
<b>Investments in Investment Trust- Quoted (measured at FVTPL)</b>				
Powergrid INVIT	38,02,154	484.28	24,46,824	327.63
<b>Investments in Alternative investment funds- Quoted (measured at FVTPL)</b>				
ICICI Prudential Long Short Fund - Series I	-	-	9,99,950	102.61
<b>Total current investments</b>		<b>20,596.62</b>		<b>23,007.65</b>
Aggregate book value of quoted investments		20,596.62		23,007.65
Aggregate market value of quoted investments		20,596.62		23,007.65
Aggregate carrying value of unquoted investments		2,285.52		1,719.05

\* Unless otherwise mentioned, all Mutual Fund investments are under Direct Growth



c) Loans (measured at amortised cost)

	As at 31 December 2022	As at 31 March 2022
(i) Loans		
Non-current (unsecured, considered good unless stated otherwise)		
Loans to employees**	1.38	0.82
	<u>1.38</u>	<u>0.82</u>
Current (unsecured, considered good unless stated otherwise)		
Inter-corporate deposits*		
-HDFC Limited	10.30	-
-Bajaj Finance Limited	108.03	-
-LIC Housing Finance Limited	-	417.35
Loans to employees **	5.47	31.04
	<u>123.80</u>	<u>448.39</u>
<b>Total loans</b>	<b>125.18</b>	<b>449.21</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.

	As at 31 December 2022	As at 31 March 2022
d) Others (measured at amortised cost)		
Non-current (unsecured, considered good unless stated otherwise)		
Security deposits	43.73	39.22
Deposits with remaining maturity for more than twelve months (Refer Note 12)	12.42	-
<b>Total</b>	<b>56.15</b>	<b>39.22</b>
Current (unsecured, considered good unless stated otherwise)		
Security deposits	2.84	3.25
Amount recoverable from payment gateway	50.78	115.05
Other receivables	-	0.20
<b>Total other financial assets</b>	<b>53.62</b>	<b>118.50</b>

Notes:

Security deposits are non-interest bearing and are generally on term of 3 to 9 years.

10 Other assets

	As at 31 December 2022	As at 31 March 2022
Non-current (unsecured, considered good unless stated otherwise)		
Prepaid expenses	0.79	1.23
Indirect taxes recoverable	15.02	15.98
Capital advance	0.41	23.74
<b>Total</b>	<b>16.22</b>	<b>40.95</b>
Current (Unsecured, considered good unless stated otherwise)		
Advances recoverable	18.27	13.17
Indirect taxes recoverable	7.96	10.79
Prepaid expenses	19.86	21.80
Others	0.03	0.03
<b>Total</b>	<b>46.12</b>	<b>45.79</b>



11 Trade receivables

	As at 31 December 2022	As at 31 March 2022
Unsecured, considered good unless stated otherwise		
<i>Considered good</i>		
Trade receivables	21.70	13.26
Receivables from related parties (Refer Note 33)	2.67	-
<i>Considered doubtful</i>		
Trade Receivables credit- impaired	-	-
Less: Loss allowance	-	-
<b>Total</b>	<b>24.37</b>	<b>13.26</b>

Notes:

- a) No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person.  
b) For terms and conditions relating to related party receivables ( Refer Note 33)  
c) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

12 Cash and bank balances

	As at 31 December 2022	As at 31 March 2022
a) Cash and cash equivalents		
Cheques on hand	69.57	207.87
Cash on hand	-	-
Balance with bank	-	-
- On current accounts	229.71	287.60
<b>Total Cash and cash equivalents</b>	<b>299.28</b>	<b>495.47</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

(i) Deposits with banks		
- remaining maturity upto twelve months	51.94	270.27
- remaining maturity for more than twelve months	12.42	-
	<b>64.36</b>	<b>270.27</b>
Less: Amount disclosed under Other financial assets non-current	12.42	-
	<b>51.94</b>	<b>270.27</b>
(ii) Earmarked balances with banks*	1.99	2.50
<b>Amount disclosed under current bank deposits</b>	<b>53.93</b>	<b>272.77</b>

\* Earmarked balances include unclaimed/unpaid dividends of INR 0.11 (31 March 2022: INR 0.12) and bank balance with Indiamart Employee Benefit Trust of INR 1.87 (31 March 2022: INR 2.38).



13 Share capital

Authorised equity share capital (INR 10 per share)

As at 01 April 2021  
As at 31 March 2022  
As at 31 December 2022

Number of shares	Amount
9,94,42,460	994.42
9,94,42,460	994.42
9,94,42,460	994.42

Authorised 0.01% cumulative preference share capital (INR 328 per share)

As at 01 April 2021  
As at 31 March 2022  
As at 31 December 2022

Number of shares	Amount
3	0.00
3	0.00
3	0.00

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

As at 01 April 2021

Number of shares	Amount
3,03,16,294	303.16

Equity shares issued on exercise of ESOP during the year  
Equity shares issued to Indiamart Employee Benefit Trust during the year (refer note (a) below)  
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 (a) below)  
Equity shares issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note (a) below)

27,846	0.28
1,73,000	1.73
47,434	0.48
(11,584)	(0.12)

As at 31 March 2022

3,05,52,990	305.53
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Equity shares issued to Indiamart Employee Benefit Trust during the period (refer note (a) below)  
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 (a) below)  
Equity shares issued during the period and held by Indiamart Employee Benefit Trust as at quarter end (refer note (a) below)  
Equity shares extinguished on buy back during the period (refer note 1 below)

2,10,000	2.10
11,584	0.12
(44,975)	(0.45)
(1,60,000)	(1.60)

As at 31 December 2022

3,05,69,599	305.70
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Notes:

- 1 The Board of Directors at its meeting held on April 28, 2022, approved a proposal to buy-back upto 160,000 equity shares of the Company for an aggregate amount not exceeding INR 1,000, being 0.52% of the total paid up equity share capital at 6,250 per equity share. A Letter of Offer was made to all eligible shareholders. The Company bought back 160,000 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares on June 29, 2022. Capital redemption reserve was created to the extent of share capital extinguished of INR 1.60. The excess cost of buy-back of INR 1,012.78 (including INR 12.78 towards transaction cost of buy-back) over par value of share and corresponding tax on buy-back of INR 232.59 were offset from retained earnings.

a) Shares held by Indiamart Employee Benefit Trust against employees share based payment plans (face value: INR 10 each)

	As at 31 December 2022	
	Number	Amount
Opening balance	11,584	0.12
Purchased during the period	2,10,000	2.10
Transfer to employees pursuant to SAR/ESOP exercised	(1,76,609)	(1.77)
Closing balance	44,975	0.45

	As at 31 March 2022	
	Number	Amount
	47,434	0.48
	1,73,000	1.73
	(2,08,850)	(2.09)
	11,584	0.12

14 Other equity

Securities premium  
General reserve  
Employee share based payment reserve  
Capital redemption reserve  
Retained earnings  
Total other equity

	As at 31 December 2022	As at 31 March 2022
	15,383.23	15,383.23
	8.45	8.45
	359.60	130.16
	1.60	-
	3,939.01	2,913.16
	19,691.89	18,435.00

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.
- 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) **Capital redemption reserve:** The Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.
- e) **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Group, and re-measurement gains/losses on defined benefit plans.



**15 Trade payables**

	As at 31 December 2022	As at 31 March 2022
Payable to micro, small and medium enterprises	-	-
Other trade payables		
- outstanding dues to others	51.67	3.98
Accrued expenses	229.77	179.59
<b>Total</b>	<b>281.44</b>	<b>183.57</b>

**16 Lease and other financial liabilities**

	As at 31 December 2022	As at 31 March 2022
(a) Lease liabilities (Refer Note 5B)		
Current	96.22	100.41
Non-current	401.37	462.39
	<b>497.59</b>	<b>562.80</b>

(b) Other financial liabilities

Non-current		
Deferred Consideration (Refer Note 34)	344.93	-
<b>Total</b>	<b>344.93</b>	<b>-</b>
Current		
Payable to employees	171.61	192.95
Security deposits	0.78	-
Other payable*	9.22	10.05
<b>Total</b>	<b>181.61</b>	<b>203.00</b>

\*Includes unclaimed/unpaid dividend of INR 0.11 (31 March 2022: INR 0.12).

**17 Provisions**

	As at 31 December 2022	As at 31 March 2022
Non-current		
Provision for employee benefits*		
Provision for gratuity	112.60	166.95
Provision for leave encashment	77.03	63.65
<b>Total</b>	<b>189.63</b>	<b>230.60</b>
Current		
Provision for employee benefits*		
Provision for gratuity	31.64	23.34
Provision for leave encashment	26.99	11.56
Provision-others**	15.38	15.38
<b>Total</b>	<b>74.01</b>	<b>50.28</b>

\* Refer Note 30

\*\* Contingency provision towards indirect taxes. There is no change in this provision during the period ended 31 December 2022.

**18 Contract and other liabilities**

	As at 31 December 2022	As at 31 March 2022
Contract liabilities*		
Non-current		
Deferred revenue	3,657.24	3,316.20
	<b>3,657.24</b>	<b>3,316.20</b>
Current		
Deferred revenue	6,201.48	5,110.80
Advances from customers	296.13	643.38
	<b>6,497.61</b>	<b>5,754.18</b>
<b>Total</b>	<b>10,154.85</b>	<b>9,070.38</b>
Other liabilities- current		
Statutory dues		
Tax deducted at source payable	31.43	32.89
GST payable	147.53	250.20
Others	11.91	7.84
<b>Total</b>	<b>190.87</b>	<b>290.93</b>

\* Contract liabilities include consideration received in advance to render services in future periods. Refer Note 33 for outstanding balances pertaining to related parties.

**19 Income tax assets and liabilities**

	As at 31 December 2022	As at 31 March 2022
Income tax assets (net of provisions)		
Non current		
Income tax assets	1,699.58	1,849.80
Less: Provision for income tax	(1,616.87)	(1,615.84)
<b>Total Non Current Tax assets (net)</b>	<b>82.71</b>	<b>233.96</b>



**20 Revenue from operations**

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

**Sale of services**

Income from web services	2,364.12	1,832.58	6,700.07	5,446.68
Income from accounting software services	103.98	-	317.09	-
Advertisement and marketing services	46.11	28.13	149.48	74.15
<b>Total</b>	<b>2,514.21</b>	<b>1,860.71</b>	<b>7,166.64</b>	<b>5,520.83</b>

Significant changes in the contract liability balances during the period are as follows:

Opening balance at the beginning of the period	9,837.82	7,561.55	9,070.37	7,261.01
Acquisition through business combinations	-	-	241.71	-
Less: Revenue recognised from contract liability balance at the beginning of the period	(2,031.86)	(1,487.79)	(4,631.33)	(3,449.29)
Add: Amount billed from customers during the period	2,831.24	2,219.46	8,009.42	6,160.12
Less: Revenue recognised from amounts billed during the period	(482.35)	(392.92)	(2,535.32)	(2,071.54)
<b>Closing balance at the end of the period</b>	<b>10,154.85</b>	<b>7,900.30</b>	<b>10,154.85</b>	<b>7,900.30</b>

**21 Other income**

Gain/(loss) on investments carried at fair value through profit and loss

-Fair value gain/(loss) (net) on measurement, interest and income from sale of mutual funds, exchange traded funds, bonds, debentures, units of alternative investment funds and investment trust

-Fair value gain on measurement and income from sale of Investment in other entities

Interest income from financial assets measured at amortised cost

- on bank deposits

- on corporate deposits and loans

- on security deposits

Other interest income

Dividend income

Gain on de-recognition of Right-of-use assets

Provisions and liabilities no longer required written back

Net gain/(loss) on disposal of property, plant and equipment

Miscellaneous income

**Total**

**22 Purchase of stock in trade**

Purchases of stock in trade

**23 Changes in inventories of finished goods, Stock-in-Trade**

Inventory at the end of the period

Inventory at the beginning of the period

**Decrease in inventories**

**24 Employee benefits expense**

Salaries, allowance and bonus

Gratuity expense

Leave encashment expense

Contribution to provident and other funds

Employee share based payment expense

Staff welfare expenses

**Total**

**25 Finance costs**

Interest cost of lease liabilities

Interest Cost on Deferred consideration

**Total**

	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
	2,364.12	1,832.58	6,700.07	5,446.68
	103.98	-	317.09	-
	46.11	28.13	149.48	74.15
<b>Total</b>	<b>2,514.21</b>	<b>1,860.71</b>	<b>7,166.64</b>	<b>5,520.83</b>
	9,837.82	7,561.55	9,070.37	7,261.01
	-	-	241.71	-
	(2,031.86)	(1,487.79)	(4,631.33)	(3,449.29)
	2,831.24	2,219.46	8,009.42	6,160.12
	(482.35)	(392.92)	(2,535.32)	(2,071.54)
<b>Closing balance at the end of the period</b>	<b>10,154.85</b>	<b>7,900.30</b>	<b>10,154.85</b>	<b>7,900.30</b>
	337.66	203.82	611.82	752.34
	665.89	-	837.99	7.72
	1.68	3.34	9.08	11.88
	2.86	8.14	8.14	32.58
	0.68	0.90	2.25	2.13
	6.01	0.01	6.09	9.94
	2.41	0.80	7.58	0.80
	1.68	0.19	4.71	1.30
	0.36	1.04	1.34	4.69
	0.59	0.01	2.87	1.55
	2.26	0.65	5.95	1.74
<b>Total</b>	<b>1,022.08</b>	<b>218.90</b>	<b>1,497.82</b>	<b>826.67</b>
	-	-	1.55	-
	-	-	1.55	-
	0.95	-	0.95	-
	1.00	-	1.11	-
<b>Decrease in inventories</b>	<b>0.05</b>	<b>-</b>	<b>0.16</b>	<b>-</b>
	951.32	610.13	2,637.99	1,691.72
	20.94	18.56	53.62	44.26
	16.40	0.89	39.04	3.80
	14.31	6.85	37.18	18.30
	72.33	9.10	229.44	32.53
	8.14	2.26	16.12	11.49
<b>Total</b>	<b>1,083.44</b>	<b>647.79</b>	<b>3,013.39</b>	<b>1,802.10</b>
	11.50	13.37	35.83	41.09
	10.42	-	23.66	-
<b>Total</b>	<b>21.92</b>	<b>13.37</b>	<b>59.49</b>	<b>41.09</b>





26 Depreciation and amortisation expense

	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
Depreciation of property, plant and equipment (Refer Note 5A)	32.76	2.87	64.78	8.53
Depreciation of Right-of-use assets (Refer Note 5B)	25.37	26.42	76.80	80.58
Amortisation of intangible assets (Refer Note 6B)	28.08	0.29	83.63	0.86
<b>Total</b>	<b>86.21</b>	<b>29.58</b>	<b>225.21</b>	<b>89.97</b>

27 Other expenses

	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
Content development expenses	77.68	44.67	210.85	121.14
Buyer engagement expenses	31.70	36.02	100.70	112.26
Customer support expenses	58.55	41.94	158.33	125.61
Commission on Sales	2.00	-	5.56	-
Outsourced sales cost	320.74	175.38	965.93	444.31
Internet and other online expenses	121.79	78.36	343.11	221.49
Rates and taxes	0.44	0.61	2.42	2.68
Outsourced support cost	4.65	3.50	12.69	10.00
Advertisement expenses	7.15	2.29	18.78	6.96
Power and fuel	3.79	2.60	12.14	5.75
Repair and maintenance:				
- Plant and machinery	1.99	1.03	5.47	2.09
- Others	11.34	7.29	27.33	18.64
Travelling and conveyance	8.83	4.20	25.25	6.59
Recruitment and training expenses	5.99	3.51	21.11	6.87
Legal and professional fees	21.20	16.28	96.81	46.83
Directors' sitting fees	1.19	0.90	3.73	2.59
Insurance expenses	11.38	7.43	34.63	21.96
Collection charges	12.39	10.58	34.28	31.76
Corporate social responsibility activities expenses	13.93	6.90	33.16	21.71
Miscellaneous expenses	11.16	1.99	25.20	3.74
<b>Total</b>	<b>727.89</b>	<b>445.48</b>	<b>2,134.48</b>	<b>1,212.98</b>

28 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the earnings for the period attributable to equity holders of the parent 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 parent 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 quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
<b>Basic</b>				
Net profit as per the statement of profit and loss for computation of EPS (A)	1,128.32	702.16	2,278.86	2,402.41
Weighted average number of equity shares used in calculating basic EPS (B)	3,05,62,968	3,04,84,887	3,05,19,254	3,03,82,050
Basic earnings per equity share (A/B)	36.92	23.03	74.67	79.07
<b>Diluted</b>				
Adjusted earnings for the period	1,128.32	702.16	2,278.86	2,402.41
Weighted average number of equity shares used in calculating basic EPS	3,05,62,968	3,04,84,887	3,05,19,254	3,03,82,050
Potential equity shares	13,698	2,57,986	1,10,450	3,51,090
Total no. of shares outstanding (including dilution) (C)	3,05,76,666	3,07,42,873	3,06,29,704	3,07,33,140
Diluted earnings per equity share (A/C)	36.90	22.84	74.40	78.17

There are potential equity shares for the period ended 31 December 2022 and 31 December 2021 in the form of share based awards granted to employees which have been considered in the calculation of diluted earning per share.



29 Income tax

The major components of income tax expense are:

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

Particulars	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
<b>Current tax expense</b>				
Current tax for the period	255.15	221.82	676.80	758.43
	<b>255.15</b>	<b>221.82</b>	<b>676.80</b>	<b>758.43</b>
<b>Deferred tax benefit</b>				
Relating to origination and reversal of temporary differences	139.44	9.19	0.95	(23.07)
	<b>139.44</b>	<b>9.19</b>	<b>0.95</b>	<b>(23.07)</b>
<b>Total income tax expense</b>	<b>394.59</b>	<b>231.01</b>	<b>677.75</b>	<b>735.36</b>

The effective tax rate has been reduced from 23.00% for the period ended 31 December 2021 to 22.92% for the period ended 31 December 2022, primarily on account of long term capital gain realised on sale of mutual funds units and investments taxed at lower rate.

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

Deferred tax related to items recognised in OCI during the period.

Particulars	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
Net gain/(loss) on remeasurements of defined benefit plans	4.53	2.13	17.55	3.19

c) Reconciliation of Deferred tax Assets & liabilities:

Particulars	As at 31 December 2022	As at 31 March 2022
Opening balance as of 1 April	(156.42)	(207.20)
Tax benefit/(expense) during the period recognised in Statement of profit and loss	(0.95)	52.22
Net Deferred tax liabilities recognised pursuant to business combinations (refer note 34)	(80.35)	-
Tax impact during the period/year recognised in OCI	(17.55)	(1.44)
<b>Closing balance at the end of the period/year</b>	<b>(255.27)</b>	<b>(156.42)</b>

d) Disclosed in the balance sheet as follows:

Particulars	As at 31 December 2022	As at 31 March 2022
Deferred Tax Liabilities	(286.92)	(156.42)
Deferred Tax Assets	31.65	-
<b>Deferred Tax Liabilities (net)</b>	<b>(255.27)</b>	<b>(156.42)</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.



**30 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**

	As at 31 December 2022	As at 31 March 2022
Present value of defined benefit obligation	318.38	336.31
Fair value of plan assets	(174.15)	(146.02)
<b>Net liability arising from defined benefit</b>	<b>144.23</b>	<b>190.29</b>

**Leave encashment - other long term employee benefit plan**

	As at 31 December 2022	As at 31 March 2022
Present value of other long term employee benefit	104.02	75.21



### 31 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 December 2022	As at 31 March 2022
<b>Financial assets</b>			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds (Refer Note b(ii) below)	Level 1	10,129.18	15,744.84
- Investments in Investment Trust (Refer Note b(ii) below)	Level 1	484.28	327.63
- Investments in Alternative investment funds (Refer Note b(iii) below)	Level 1	-	102.61
- Investment in bonds & debentures (Refer Note b(v) below)	Level 2	9,983.16	6,832.57
- Investment in equity preference instruments of other entities (Refer Note b(iv) below)	Level 3	2,285.52	1,719.05
		<u>22,882.14</u>	<u>24,726.70</u>
b) Measured at amortised cost (refer note (b)(i) and (ii) below)			
- Trade receivables		24.37	13.26
- Cash and cash equivalents		299.28	495.47
- Loans to employees		6.85	31.86
- Inter-corporate deposits		118.33	417.35
- Security deposits		46.57	42.47
- Deposits with Banks		66.35	272.77
- Other financial assets		50.78	115.25
		<u>612.53</u>	<u>1,388.43</u>
<b>Total financial assets (a+b)</b>		<u><b>23,494.67</b></u>	<u><b>26,115.13</b></u>
<b>Financial liabilities</b>			
a) Measured at amortised cost (refer note (b)(i) and (ii))			
- Trade payables		281.44	183.57
- Security deposits		0.78	-
- Other financial liabilities		525.76	203.00
- Lease liabilities		497.59	562.80
<b>Total financial liabilities</b>		<u><b>1,305.57</b></u>	<u><b>949.37</b></u>

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, exchange traded fund, 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 investment in equity preference debt 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.
- Fair value of the quoted bonds and debentures is determined using observable market's inputs and is classified as Level 2.

c) (i) Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of 31 December 2022:

Financial assets	Valuation techniques	Significant Unobservable inputs	Inter-relationship between significant unobservable input and fair value measurement
<b>Investment in equity/preference instruments of other entities</b>			
Mynd Solutions Private Limited	Market multiple and Discounted cashflow approach	Market multiples (Comparable companies)	The estimated fair value of Investment in Other entities will increase/ (decrease) if the Market multiple is higher/ (lower)
Legisfly Services Private Limited	Discounted cashflow approach	i) Discount rate ii) Growth rate iii) Future cash flow projections	The estimated fair value of Investment in Other entities will increase/ (decrease) if the (Growth rate is higher/ (lower)). The estimated fair value of Investment in Other entities will increase/ (decrease) if the Discount rate is (lower/ higher).
Zimyo Consulting Private Limited and Fleets Technologies Private Limited	Market multiple and Discounted cashflow approach	i) Discount rate ii) Growth rate iii) Future cash flow projections iv) Market multiples (Comparable Companies)	The estimated fair value of Investment in Other entities will increase/ (decrease) if the Growth rate and Market multiple is higher/ (lower). The estimated fair value of Investment in Other entities will increase/ (decrease) if the Discount rate is (lower/ higher).

c) (ii) Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as at 31 March 2022 :

Financial assets	Valuation technique	Significant Unobservable inputs	Inter-relationship between significant unobservable input and fair value measurement
<b>Investment in equity/preference instruments of other entities</b>			
Mobisy Technologies Private Limited, Legisfly Services Private Limited, Mynd Solutions Private Limited, Zimyo Consulting Private Limited and Fleets Technologies Private Limited	Market multiple and Discounted cashflow approach	Market multiples (Comparable companies)	The estimated fair value of Investment in Other entities will increase/ (decrease) if the Market multiple is higher/ (lower)

d) Reconciliation of level 3 fair value measurements

	Investment in equity/preference instruments of other entities			
	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
Opening balance	1,965.23	112.89	1,719.05	99.99
Gain recognised in profit or loss	665.89	7.72	837.99	7.72
Additions	240.68	100.00	315.68	112.90
Disposals/ Extinguishment	(273.56)	-	(274.48)	-
Change in status of investment to Associate	(312.72)	-	(312.72)	-
<b>Closing balance</b>	<b>2,285.52</b>	<b>220.61</b>	<b>2,285.52</b>	<b>220.61</b>

e) During the Period ended 31 December 2022 and 31 December 2021, there were no transfers due to re-classification into and out of Level 3 fair value measurements.



### 32 Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

Pursuant to acquisition of Bury Infotech Private Limited and Livekeeping Technologies Private Limited (Formerly known as Finfole Technologies Private Limited), in the quarter ended 30 June 2022, the Group has identified two business segments namely "Web and related Services" and "Accounting Software Services" as reportable segments based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems.

Web and related services are business-to-business marketplace services which acts as an interactive hub for domestic and international buyers and suppliers. Accounting software services includes business of development, system analysis, designing and marketing of integrated business accounting software to help and manage businesses with increased efficiency.

#### Segment accounting Policies

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in note 2 on significant accounting policies. The accounting policies in relation to segment accounting are as under:

#### (a) Segment revenue and expenses

Segment revenue is directly attributable to the segment and segment expenses have been allocated to various segments on the basis of specific identification. Segment revenue does not include other income. Segment expenses do not include finance cost, Depreciation and amortization, tax expense and share of loss of associates.

#### (b) Segment assets and liabilities

Assets and liabilities directly attributable or allocable to segments are disclosed under each reportable segment.

Financial information about the business segments for the quarter ended 31 December 2022 and 31 December 2021 is as follows:

	For the quarter ended 31 December 2022			For the quarter ended 31 December 2021	
	Web and related services	Accounting Software services	Total	Web and related services	Total
Revenue from operations from external customers	2,410.23	103.98	2,514.21	1,880.70	1,880.70
Inter-segment revenue	-	-	-	-	-
Segment revenues	2,410.23	103.98	2,514.21	1,880.70	1,880.70
Segment results	698.97	3.86	702.83	787.45	787.45
Finance Cost	-	-	(21.92)	-	(13.37)
Depreciation and Amortization expense	-	-	(86.21)	-	(28.58)
Other income	-	-	1,022.08	-	218.90
Profit before share of loss of associates and tax	-	-	1,616.78	-	963.40
Share of loss of an associates	-	-	(93.87)	-	(30.22)
Profit before tax	-	-	1,522.91	-	933.18
Tax expense	-	-	(354.59)	-	(231.01)
Profit for the quarter	-	-	1,128.32	-	702.17

Financial information about the business segments for the nine months ended 31 December 2022 and 31 December 2021 is as follows:

	For the nine months ended 31 December 2022			For the nine months ended 31 December 2021	
	Web and related services	Accounting Software services	Total	Web and related services	Total
Revenue from operations from external customers	6,849.55	317.09	7,166.64	5,520.83	5,520.83
Inter-segment revenue	-	-	-	-	-
Segment revenues	6,849.55	317.09	7,166.64	5,520.83	5,520.83
Segment results	1,948.37	68.69	2,017.06	2,565.76	2,565.76
Finance Cost	-	-	(59.30)	-	(41.09)
Depreciation and Amortization expense	-	-	(223.21)	-	(89.97)
Other income	-	-	1,497.82	-	826.67
Profit before share of loss of associates and tax	-	-	3,230.18	-	3,201.37
Share of loss of an associates	-	-	(273.57)	-	(63.59)
Profit before tax	-	-	2,956.61	-	3,137.78
Tax expense	-	-	(677.75)	-	(735.36)
Profit for the period	-	-	2,278.86	-	2,402.42

#### 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:

For the quarter ended 31 December 2022 and 31 December 2021

	For the quarter ended 31 December 2022			For the quarter ended 31 December 2021	
	Web and related services	Accounting Software services	Total	Web and related services	Total
Revenue from external customers					
India	2,391.28	100.64	2,491.93	1,860.47	1,860.47
Others	18.95	3.34	22.29	20.24	20.24
	2,410.23	103.98	2,514.21	1,880.71	1,880.71

For nine months ended 31 December 2022 and 31 December 2021

	For the nine months ended 31 December 2022			For the nine months ended 31 December 2021	
	Web and related services	Accounting Software services	Total	Web and related services	Total
Revenue from external customers					
India	6,787.69	293.39	7,081.08	5,464.88	5,464.88
Others	61.87	23.70	85.56	55.95	55.95
	6,849.56	317.09	7,166.65	5,520.83	5,520.83

	As at 31 December 2022			As at 31 March 2022	
	Web and related services	Accounting Software services	Total	Web and related services	Total
Non-Current Assets*					
India	616.31	5,043.23	5,659.54	603.36	603.36
Others	-	-	-	-	-
	616.31	5,043.23	5,659.54	603.36	603.36

\* Non-current assets exclude financial assets, investment in associates, deferred tax assets, tax assets and post-employment benefit assets.

No single customer represents 10% or more of the Group's total revenue for the period ended 31 December 2022 and for the period ended 31 December 2021, respectively.

#### Segment assets and liabilities

	As at 31 December 2022				As at 31 March 2022		
	Web and related services	Accounting Software services	Unallocable	Total	Web and related services	Unallocable	Total
Segment assets	20,385.83	6,224.83	5,596.41	32,207.06	18,721.19	10,767.32	29,488.51
Segment liabilities	11,435.23	774.23	-	12,209.47	10,747.88	-	10,747.88



33 Related party transactions

i) Names of related parties and related party relationship:

a) Entity's subsidiaries & associates

Subsidiaries

Hello Trade Online Private Limited  
Tradereal Online Private Limited  
Tolexo Online Private Ltd  
Pay With Indiamart Private Limited  
Busy Infotech Private Limited (with effect from 06 April 2022)  
Livekeeping Technologies Private Limited (Formerly known as Finlite Technologies Private Limited) (with effect from 23 May 2022)  
Livekeeping Private Limited (Subsidiary of Livekeeping Technologies Private Limited, with effect from 23 May 2022)

Associates

Simply Vyapar Apps Private Limited  
Ten Times Online Private Limited  
Truckhall Private Limited  
Shipway Technology Private Limited  
Agilow E-Commerce Private Limited  
Edgewise Technologies Private Limited  
IB Monotaro Private Limited  
Adansa Solutions Private Limited  
Mobisy Technologies Private Limited (with effect from 03 November 2022)

b) 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

Dinesh Chandra Agarwal  
Brijesh Kumar Agrawal  
Prateek Chandra  
Manoj Bhargava  
Dhruv Prakash  
Rajesh Sawhney  
Elizabeth Lucy Chapman  
Vivek Narayan Gaur  
Pallavi Dinodia Gupta

Designation

Managing director and CEO  
Whole time director  
Chief financial officer  
Company Secretary  
Non-executive director  
Independent director  
Independent director (Resigned with effect from 07 October 2022)  
Independent director  
Independent director (Appointed with effect from 20 October 2022)

c) Entities where Individuals and Key Management Personnel (KMP) as defined above exercise significant influence.

Mansa Enterprises Private Limited  
Mynd Solutions 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 quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
Short-term employee benefits	39.17	32.91	115.53	103.55
Post-employment benefits	0.02	-	0.02	0.38
Other long-term employee benefits	0.52	-	1.68	0.71
Employee share based payment	3.90	0.33	12.08	1.95
	<b>43.61</b>	<b>33.24</b>	<b>129.31</b>	<b>106.59</b>



33 Related party transactions (Cont'd)

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

Particulars	For the quarter ended 31 December 2022	For the quarter ended 31 December 2021	For the nine months ended 31 December 2022	For the nine months ended 31 December 2021
<b>Entities where KMP and Individuals exercise Significant Influence</b>				
<u>Expenses for rent</u>				
Mansa Enterprises Private Limited	0.60	0.40	1.72	1.33
<b>Purchase of Investment</b>				
Mynd Solutions Private Limited	240.68	-	240.68	-
<b>Sale of Investment</b>				
Mynd Solutions Private Limited	137.31	-	137.31	-
<b>Key management personnel</b>				
<u>Recruitment and training expenses</u>				
Dhruv Prakash	0.75	-	1.50	-
Director's sitting fees	1.10	0.90	3.41	2.59
<u>Dividend paid</u>				
Dinesh Chandra Agarwal	-	-	17.18	129.46
Brijesh Kumar Agrawal	-	-	11.64	87.73
Prateek Chandra	-	-	0.23	1.46
Manoj Bhargava	-	-	0.01	0.01
Rajesh Sawhney	-	-	0.01	0.08
Dhruv Prakash	-	-	0.03	0.38
Vivek Narayan Gour	-	-	0.01	0.15
<b>Associates</b>				
<u>Investment in associates</u>				
Truckhall Private Limited	-	-	75.00	110.10
Shipway Technology Private Limited	-	-	-	182.00
Agilos E-Commerce Private Limited	-	-	-	260.00
Edgewise Technologies Private Limited	-	133.45	-	133.45
Simply Vyapar Apps Private Limited	-	-	39.78	-
Adansa Solutions Private Limited	-	-	137.50	-
Mobisy Technologies Private Limited	151.18	-	151.18	-
<u>Web &amp; Advertisement services provided to</u>				
Simply Vyapar Apps Private Limited	5.26	2.28	12.66	4.74
IB Monotaro Private Limited	0.11	-	0.11	-
<u>Internet and online services availed</u>				
Ten Times Online Private Limited	-	0.03	0.02	0.15
<u>Miscellaneous services provided to</u>				
Simply Vyapar Apps Private Limited	-	0.65	0.43	1.73
<u>Indiamart Employee Benefit Trust</u>				
Interest free Loan given	-	-	-	0.50
Share capital issued	-	-	2.10	1.73
Dividend paid	-	-	0.15	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 for the period end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The following table discloses the related parties balances at the period end:

Balance Outstanding at the period end	As at 31 December 2022	As at 31 March 2022
<b>Key management personnel</b>		
<u>Loans</u>		
Manoj Bhargava	-	1.50
<u>Investment in associates (At cost)*</u>		
Simply Vyapar Apps Private Limited	967.30	927.52
Ten Times Online Private Limited	0.93	0.93
Truckhall Private Limited	185.10	110.10
Shipway Technology Private Limited	182.00	182.00
Agilos E-Commerce Private Limited	260.00	260.00
Edgewise Technologies Private Limited	133.45	133.45
IB Monotaro Private Limited	1,041.77	1,041.77
Adansa Solutions Private Limited	137.50	-
Mobisy Technologies Private Limited	463.89	-
<u>Trade receivables</u>		
Simply Vyapar Apps Private Limited	2.67	-
<u>Deferred Revenue</u>		
Simply Vyapar Apps Private Limited	0.23	1.01
IB Monotaro Private Limited	0.76	-
<u>Investment in Entities where KMP and Individuals exercise Significant influence</u>		
Mynd Solutions Private Limited	577.36	-

\*Does not include share of loss of associate as accounted under equity method



34 Business Combination

a) Acquisition of Busy Infotech Private Limited ("Busy Infotech")

On January 24, 2022, the Group had signed the Share Purchase Agreement (SPA) for acquiring 100% equity interest in Busy Infotech for a consideration of INR 5,000 million. Busy Infotech is engaged in the business of development, system analysis, designing and marketing of integrated business accounting software (popularly known as Busy accounting software). The acquisition would help the Company to offer accounting software solutions to businesses in line with its long term vision of enabling businesses.

The acquisition has been consummated on April 6, 2022 and the Group has paid INR 5,000 million in cash.

The total purchase consideration of INR 5,000 million has been preliminary allocated based on management estimates to the acquired assets and liabilities as follows:

Particulars	As at 01 April 2022
Net working capital (Including cash of INR 33.11 millions)	433.06
Deferred tax liabilities(Net)	(76.17)
Non current Liabilities	(46.11)
Property, plant and equipment	8.65
Software	0.77
ROU	2.79
Intangible assets	
Technology	173.68
Channel Network	365.62
Goodwill	4,137.71
Purchase Consideration	5,000.00

The table below shows the values and lives of intangible assets recognized on acquisition:

	Amount	Life (Years)	Basis of amortization
Technology	173.68	5	On straight line basis
Channel Network	365.62	5	On straight line basis
Total Intangible Assets	539.30		

Goodwill is non tax deductible and has been allocated to the Accounting Software Services segment.

Acquisition- related costs

The Group has incurred INR 38.79 million towards acquisition related costs. These amounts have been included in other expenses in the condensed consolidated interim statement of profit or loss for the period ended December 31, 2022.

The operations of Busy Infotech have been consolidated in the condensed consolidated financial statements of the Group from April 1, 2022 for convenience purposes as the transactions between April 1, 2022 and April 5, 2022 were not material. In the period ended December 31, 2022, Busy Infotech contributed revenue of INR 316.67 million and Profit of INR 88.85 million to the Group's result.

The Group is in the process of making a final determination of the fair value of certain assets and liabilities. Finalization of the purchase price allocation may result in certain adjustments to the above allocations.

In addition to the purchase consideration, INR 28 million is payable as on acquisition date to certain Business Advisors over a two-year period. Payment of this amount is contingent upon these service providers continuing to be the advisors of the Group during the stipulated period mentioned in the agreement. This consideration is being accounted for as post acquisition expense.





**Indiamart InterMesh Limited****Notes to Condensed Consolidated Interim Financial Statements for the period ended 31 December 2022**

(Amounts in INR million, unless otherwise stated)

**b) Acquisition of Livekeeping Technologies Private Limited (Formerly known as Finlite Technologies Private Limited)**

On March 25, 2022, the Group has signed Share subscription and Share purchase agreement (SSSPA) for acquiring 51.01% equity interest in Livekeeping Technologies Private Limited (Formerly known as Finlite Technologies Private Limited) by way of purchase of 2,147 equity shares from existing shareholder of Livekeeping for a consideration of INR 110 million and by subscribing 6,843 fresh Compulsory Convertible Preference Shares (CCPS) for INR 350 million. Finlite is engaged in the business of providing technology related services, web development and mobile applications along with other services. Company is the owner of 'Live keeping', a mobile application that allows users to access their Tally data. This investment is in line with the Company's long term objective of offering various Software as a Service ('SAAS') based solutions for businesses.

The acquisition has been consummated on May 23, 2022 and the Group has paid INR 459.74 million in cash. As part of the acquisition, the Group has committed to Buy-out the remaining share from the promoter of Livekeeping Technologies Private Limited on specified dates in a manner stipulated under the SSSPA. Accordingly, the fair value of remaining consideration payable to promoters of Livekeeping Technologies of INR 321.27 million has been recognized by the Group as deferred consideration and the acquisition was accounted as per anticipated-acquisition method.

The total purchase consideration of INR 781.01 million has been preliminary allocated based on management estimates to the acquired assets and liabilities as follows:

Particulars	As at 31 May 2022
Net working capital (Including cash of INR 346.1 millions)	347.47
Deferred tax liabilities(Net)	(4.18)
Property, plant and equipment	0.40
Intangible assets	
Technology	17.40
Goodwill	419.92
Purchase Consideration	781.01

The table below shows the values and lives of intangible assets recognized on acquisition:

	Amount	Life (Years)	Basis of amortization
Technology	17.40	5	On straight line basis
Total Intangible Assets	17.40		

Goodwill is non tax deductible and has been allocated to the Accounting Software Services segment.

**Acquisition-related costs**

The Group has incurred INR 1.91 million towards acquisition related costs. These amounts have been included in other expenses in the condensed consolidated interim statement of profit or loss for the period ended December 31, 2022.

The operations of Livekeeping Technologies have been consolidated in the condensed financial statements of the Group from May 31, 2022. In the period ended December 31 2022, Finlite Technologies contributed revenue of INR 0.43 million and Loss of INR (17.28) million to the Group's result.

The Group is in the process of making final determination of the fair value of certain assets and liabilities. Finalization of the purchase price allocation may result in certain adjustments to the above allocations.



35 Contingent liabilities and commitments

a) Contingent liabilities

	As at 31 December 2022	As at 31 March 2022
(i) Income tax demand (refer notes (a) and (b) below)	102.68	202.68
(ii) Service tax/ GST demand (refer notes (c) below)	15.38	-

(a) In respect of Assessment year 2016-17, a demand was raised on Tolson 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 to INR 482.07 (Tax impact @ 25.17% INR 59.69). 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.

(b) In respect of Assessment year 2017-18, a demand of INR 242.99 was raised on Tolson 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.

(c) Pursuant to the service tax departmental audit of Indiamart InterMESH Limited for the financial year 2013-14 to 2017-18 (Up to 30 June 2017), a demand has been raised on Non-payment of service tax under rule 64(1) of CCR, 1944 on "Net gain on sale of current investments" of INR 15.38. The Company has provided for the same in its books of accounts in financial year 2019-20. The Company was contesting a demand against commissioner appeals. In current quarter the order has been received rejecting the appeal and imposing 100% penalty of INR 15.38. The Company is in process of filing the appeal before Tribunal, and the management believes that its position in the matter will be favorable. No tax expense has been accrued for this penalty amount in consolidated financial statements.

(d) 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 December 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 published. 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 December 2022, the Group has Nil capital commitment (31 March 2022: Nil).

36 Investment in associates

The Group has investment in associates as on 31 December 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 December 2022	31 March 2022
Carrying value of the Group's interest in associates	2,857.83	2,490.27
The Group's share in loss for the period in associates	(273.57)	(122.49)

37 Events after the reporting period

a) The Group has evaluated all the subsequent events through 19 January 2023, which is the date on which these condensed 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 condensed consolidated financial statements.

As per our report of even date attached

For B S R & Co, LLP  
Chartered Accountants  
ICAI Firm Registration No. 101248WAW-100022

Kanika Kohli  
Partner  
Membership No.: 511565  
Place: Gurugram

Date: 19 January 2023

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

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

*Prateek Chandra*  
Prateek Chandra  
(Chief Financial Officer)

Place: Noida  
Date: 19 January 2023

*Dileesh Kumar Agarwal*  
Dileesh Kumar Agarwal  
(Whole-time director)  
DIN:00191760

*Manoj Bhargava*  
Manoj Bhargava  
(Company Secretary)

