



IndiaMART InterMESH Ltd.

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Website: www.indiamart.com

Date: January 21, 2020

To

The Manager - Listing

BSE Limited

(BSE: 542726)

The Manager - Listing

National Stock Exchange of India Limited

(NSE: INDIAMART)

Dear Sir/Ma'am,

Sub: Audited (Standalone and Consolidated) Financial Results for the quarter and nine months ended December 31, 2019

With reference to the captioned subject and in accordance with the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, please find enclosed herewith the copy of Audited (Standalone and Consolidated) Financial Results for the quarter and nine months ended December 31, 2019 alongwith the Auditor's Report thereon.

Please take the above information on record.

Yours faithfully,

For Indiamart Intermesh Limited


(Manoj Bhargava)

**Sr. Vice President (Legal & Secretarial),
Company Secretary & Compliance Officer**



Encl: as above.

Audited Standalone Financials Results

(Amounts in INR million, except per share data)

S.No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		Audited	Audited	Audited	Audited	Audited	Audited
1	Income:						
	a) Revenue from operations	1,605	1,529	1,307	4,577	3,622	4,973
	b) Other income	165	203	133	511	260	360
	Total income	1,770	1,732	1,440	5,088	3,882	5,333
2	Expenses:						
	a) Employee benefits expense	678	662	554	1,925	1,563	2,217
	b) Depreciation and amortisation expense	57	50	11	151	28	40
	c) Net loss on financial liability designated at FVTPL	-	-	-	-	653	653
	d) Finance costs	5	7	-	16	-	-
	e) Other expenses	487	496	469	1,466	1,412	1,960
	Total expenses	1,227	1,215	1,034	3,558	3,656	4,870
3	Profit before exceptional items and tax (1-2)	543	517	406	1,530	226	463
4	Exceptional items	-	-	-	-	-	-
5	Profit after exceptional items and before tax (3-4)	543	517	406	1,530	226	463
6	Tax expense/(credit)						
	a) Current tax	-	(70)	-	(3)	-	36
	b) Deferred tax	(92)	178	118	157	280	301
	c) Tax impact related to change in tax rate and law [refer note 7 (b)]	-	314	-	314	-	-
	Total tax expense	(92)	422	118	468	280	337
7	Net Profit/(loss) for the period (5-6)	635	95	288	1,062	(54)	126
	Other comprehensive income/(loss) (net of tax)						
8	-Items that will not be reclassified to profit or loss	(3)	(25)	(5)	(38)	(9)	(7)
9	Total comprehensive income/ (loss) for the period (7+8)	632	70	283	1,024	(63)	119
10	Paid up equity share capital (face value : INR 10/- each)	289	288	286	289	286	286
11	Other equity for the year						1,321
12	Earnings per equity share:						
	Basic earnings per equity share (INR 10 per share)	21.95	3.33	10.09	36.88	(2.14)	4.87
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
	Diluted earnings per equity share (INR 10 per share)	21.61	3.26	9.98	36.27	(2.14)	4.78
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	



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Notes to the Statement of Audited Standalone Financial Results for the Quarter and Nine months ended December 31, 2019:

- 1 The above standalone financial results for the quarter and nine months ended December 31, 2019 were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on January 21, 2020. The statutory auditors have expressed an unmodified audit opinion on these results.
- 2 The above standalone financial results have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- 3 During the quarter ended September 30, 2019, the Company has completed an Initial Public Offering (IPO) through an offer for sale of 48,87,862 equity shares. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on July 4, 2019.
- 4 The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using modified retrospective approach, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has resulted in recognition of right-of-use asset of INR 204 Million and a corresponding lease liability of INR 224 Million by adjusting retained earnings net of taxes by INR 16 Million [the impact of deferred tax created INR 9 Million] as at April 1, 2019. The Company has also reclassified its leasehold land amounting to INR 36 Million as right-of-use asset. In the statement of profit and loss of the quarter and nine months ended December 31, 2019, the nature of expenses in respect of operating leases has changed from lease rent (in other expenses) into depreciation cost against the right-of-use asset and finance cost against interest accrued on lease liability.

The impact of application of Ind AS 116 on the standalone financials results is as follows:-

Particulars	(Amounts in INR "Millions")			
	Quarter Ended December 31, 2019	Quarter Ended September 30, 2019	Quarter Ended June 30, 2019	Nine Months ended December 31, 2019
a Rent, Rates & Taxes Expense is lower by	48	48	45	141
b Depreciation is higher by	(46)	(39)	(36)	(121)
c Finance Cost is higher by	(6)	(6)	(4)	(16)
d Other Income is higher by	-	1	-	1
Profit Before tax is higher/(Lower) by	(4)	4	5	5

- 5 The results for the quarter and nine months ended December 31, 2019 are available on the BSE Limited website (URL:www.bseindia.com/corporates), the National Stock Exchange of India Limited website (URL:www.nseindia.com/corporates) and on the Company's website.
- 6 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one segment which is business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers and operates in a single operating segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence, the Company has a single operating segment "Business to business e-marketplace".
- 7 a) Deferred tax for the quarter ended December 31, 2019 includes credit of INR 229 million on account of certain timing differences pertaining to the earlier years.
b) Tax impact for the quarter ended September 30, 2019 and nine months ended December 31, 2019 reflects changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company. It includes the "tax impact relating to change in tax rate and law" amounting to INR 314 Million which comprises of i) deferred tax charge of INR 278 Million due to change in applicable tax rate, and ii) the MAT credit entitlement written off of INR 36 Million.
- 8 The CEO and CFO have certified these results under Regulation 33(2) of SEBI (LODR) Regulations, 2015.
- 9 Figures for the previous periods have been regrouped/reclassified to confirm to the classification of the current period.

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

Dinesh Chandra Agarwal
Dinesh Chandra Agarwal
(Managing Director and Chief Executive Officer)

Place: Noida
Date : January 21, 2020



B S R & Co. LLP

Chartered Accountants

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DLF Cyber City, Phase - II
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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF IndiaMART InterMESH Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone quarterly financial results of IndiaMART InterMESH Limited ("the Company") for the quarter ended 31 December 2019 and the year to date results for the period from 1 April 2019 to 31 December 2019 ("the standalone financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 31 December 2019 as well as the year to date results for the period from 1 April 2019 to 31 December 2019.

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 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Standalone Financial Results

These standalone financial results have been prepared on the basis of the condensed standalone interim financial statements. The Company's Management and Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in

compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

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

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modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

Attention is drawn to the fact that the corresponding figures for the quarter and nine months period ended 31 December 2018 and for the year ended 31 March 2019, are based on the previously issued standalone interim financial statements and standalone annual financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those standalone interim financial statements and standalone annual financial statements on 31 January 2019 and 11 May 2019, respectively.

Our opinion on the standalone quarterly financial results is not modified in respect of this matter.

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

Chartered Accountants

ICAI Firm registration No: 101248W/W-100022



Kanika Kohli

Partner

Membership No: 511565

ICAI UDIN: 20511565 AAAA9385

Place: Gurugram

Date: 21 January 2020

Audited Consolidated Financials Results

(Amounts in INR million, except per share data)

S.No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		Audited	Audited	Audited	Audited	Audited	Audited
1	Income:						
	a) Revenue from operations	1,649	1,566	1,336	4,688	3,694	5,074
	b) Other income	166	205	134	514	262	410
	Total Income	1,815	1,771	1,470	5,202	3,956	5,484
2	Expenses:						
	a) Employee benefits expense	708	688	575	2,003	1,619	2,300
	b) Depreciation and amortisation expense	58	50	12	152	29	41
	c) Net loss on financial liability designated at FVTPL	-	-	-	-	653	653
	d) Finance costs	5	7	-	16	-	-
	e) Other expenses	505	515	486	1,519	1,453	1,951
	Total expenses	1,276	1,260	1,073	3,690	3,754	4,945
	Profit before exceptional items, share of net losses of investment accounted using equity method and tax (1-2)	539	511	397	1,512	202	539
3	Share in net profit/ (loss) of associates using equity method	(7)	(2)	-	(9)	-	-
4	Profit before exceptional items and tax (3+4)	532	509	397	1,503	202	539
5	Exceptional items	-	-	-	-	-	-
6	Profit before tax (5+6)	532	509	397	1,503	202	539
7	Tax expense/(credit)						
	a) Current tax	3	(69)	1	1	3	37
	b) Deferred tax	(91)	177	119	157	281	301
	c) Tax impact related to change in tax rate and law [refer note 7 (b)]	-	314	-	314	-	-
	Total tax expense	(88)	422	120	472	284	338
8	Net Profit/(loss) for the period [7-8]	620	87	277	1,031	(82)	201
	<u>Attributable to:</u>						
	- Equity holders of the parent	620	87	277	1,031	(82)	201
	-Non-controlling interests	-	-	-	-	-	-
9	Other comprehensive Income/(loss) (net of tax)	(2)	(26)	(5)	(38)	(9)	(7)
	-Items that will not be reclassified to profit or loss						
10	Total comprehensive Income/ (loss) for the period [9+10]	618	61	272	993	(91)	194
11	Total comprehensive Income /(loss) for the period attributable to :						
	- Equity holders of the parent	618	61	272	993	(91)	194
	-Non-controlling interests	-	-	-	-	-	-
12	Paid up equity share capital (face value : INR 10/- each)	289	288	286	289	286	286
13	Other equity for the year						1,313
14	Earnings per equity share:						
	Basic earnings per equity share (INR 10 per share)	21.45 (Not annualised)	3.01 (Not annualised)	9.70 (Not annualised)	35.80 (Not annualised)	(3.25) (Not annualised)	7.75
	Diluted earnings per equity share (INR 10 per share)	21.12 (Not annualised)	2.95 (Not annualised)	9.59 (Not annualised)	35.21 (Not annualised)	(3.25) (Not annualised)	7.61



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Notes to the Statement of Audited Consolidated Financial Results for the Quarter and Nine months ended December 31, 2019:

- 1 The above consolidated results for the quarter and nine months ended December 31, 2019 were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meetings held on January 21, 2020. The statutory auditors have expressed an unmodified audit opinion on these results.
- 2 The above financial results have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- 3 During the quarter ended September 30, 2019, the Company has completed an Initial Public Offering (IPO) through an offer for sale of 48,87,862 equity shares. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on July 4, 2019.
- 4 The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using modified retrospective approach, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has resulted in recognition of a right-of-use asset of INR 204 Million and a corresponding lease liability of INR 224 Million by adjusting retained earnings net of taxes by INR 16 Million [the impact of deferred tax created INR 9 Million] as at April 1, 2019. The Company has also reclassified its leasehold land amounting to INR 36 Million as right-of-use asset. In the statement of profit and loss of the quarter and nine months ended December 31, 2019, the nature of expenses in respect of operating leases has changed from lease rent (in other expenses) into depreciation cost against the right-of-use asset and finance cost against interest accrued on lease liability.

The impact of application of Ind AS 116 on the Consolidated Financials Results is as follows:-

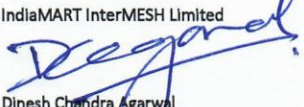
(Amounts in INR "Millions")				
Particulars	Quarter Ended December 31, 2019	Quarter Ended September 30, 2019	Quarter Ended June 30, 2019	Nine Months ended December 31, 2019
a Rent, Rates & taxes expense is lower by	48	48	45	141
b Depreciation is higher by	(46)	(39)	(36)	(121)
c Finance Cost is higher by	(6)	(6)	(4)	(16)
d Other Income is higher by	-	1	-	1
Profit Before tax is higher/(Lower) by	(4)	4	5	5

- 5 The results for the quarter and nine months ended December 31, 2019 are available on the BSE Limited website (URL: www.bseindia.com/corporates), the National Stock Exchange of India Limited website (URL: www.nseindia.com/corporates) and on the Company's website (www.indiamart.com).
- 6 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has only one segment which is business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers and operates in a single operating segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence, the Group has a single operating segment "Business to business e-marketplace".
- 7 a) Deferred tax for the quarter ended December 31, 2019 includes credit of INR 229 million on account of certain timing differences pertaining to the earlier years.
b) Tax impact for the quarter ended September 30, 2019 and nine months ended December 31, 2019 reflects changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company. It includes the "tax impact relating to change in tax rate and law" amounting to INR 314 Million which comprises of i) deferred tax charge of INR 278 Million due to change in applicable tax rate, and ii) the MAT credit entitlement written off of INR 36 Million.
- 8 The CEO and CFO have certified these results under Regulation 33(2) of SEBI (LODR) Regulations, 2015.
- 9 Figures for the previous periods have been regrouped/reclassified to confirm to the classification of the current period.

Place: Noida
Date : January 21, 2020

For and on behalf of the Board of Directors

IndiaMART InterMESH Limited


Dinesh Chandra Agarwal
(Managing Director and Chief Executive Officer)



B S R & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF IndiaMART InterMESH Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of Consolidated Quarterly Financial Results of IndiaMART InterMESH Limited ("Holding company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group"), and its associate for the quarter ended 31 December 2019 and for the period from 1 April 2019 to 31 December 2019 ("the Statement" or "consolidated financial results"), being submitted by the Holding company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements of subsidiaries, and financial information of an associate, the Statement:

- a. includes the results of the following entities:

Subsidiaries:

1. Tradezeal International Private Limited
2. Ten Times Online Private Limited
3. Tolexo Online Private Limited
4. Pay with Indiamart Private Limited
5. Hello Trade Online Private Limited

Associate:

6. Simply Vyapar Apps Private Limited

- b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit/loss and other comprehensive income/loss) and other financial information of the Group for the quarter ended 31 December 2019 and for the period from 1 April 2019 to 31 December 2019.

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 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the

Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial results.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

These consolidated financial results have been prepared on the basis of the condensed consolidated interim financial statements.

The Management and the Holding company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit/loss and other comprehensive income and other financial information of the Group including its associate in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Management and the Directors of the Holding company, as aforesaid.

In preparing the consolidated financial results, the Management and the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

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

- Identify and assess the risks of material misstatement of the consolidated financial results, 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,

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as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results 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 associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate to express an opinion on the consolidated financial results, 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 consolidated financial results, 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 para (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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- (a) (i) The consolidated financial results include the audited financial results of five subsidiaries, whose interim financial statements, net of consolidation adjustments, reflect Group's share of total revenue of INR 44.66 million and INR 113.57 million and Group's share of total net loss after tax of INR 6.99 million and INR 20.19 million for the quarter ended 31 December 2019 and for the period from 1 April 2019 to 31 December 2019 respectively, as considered in the consolidated financial results, which have been audited by their respective independent auditors. The independent auditors' reports on interim financial statements of these entities have been furnished to us and our

opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

- (a) (ii) The consolidated financial results include the unaudited financial information of an associate, whose interim financial information reflects Group's share of total net loss after tax (and other comprehensive income (loss)) of INR 6.75 million for the quarter ended 31 December 2019 and INR 8.87 for the period from 1 April 2019 to 31 December 2019 respectively, as considered in the consolidated financial results. This unaudited interim financial information has been furnished to us by the Board of Directors and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such unaudited interim financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, this interim financial information is not material to the Group.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the reports of the other auditors and the financial information certified by the Board of Directors.

- (b) Attention is drawn to the fact that the corresponding figures for the quarter and nine months period ended 31 December 2018 and for the year ended 31 March 2019 are based on the previously issued consolidated interim financial statements and consolidated annual financial statements of the Group that were audited by the predecessor auditor who expressed an unmodified opinion on those consolidated interim financial statements and consolidated annual financial statements on 31 January 2019 and 11 May 2019, respectively.

Our opinion on the consolidated financial results is not modified in respect of this matter.

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

ICAI Firm registration No: 101248W/W-100022

Kanika

Kanika Kohli
Partner

Membership No: 511565

ICAI UDIN: 20511565 AAAA B8517

Place: Gurugram
Date: 21 January 2020