indiamart

ANNUAL REPORT 2020-21

All India

Transforming businesses

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Board's Report

Dear Members,

Your Directors have pleasure in presenting the 7th Board's Report on the Business and Operations of the Company together with the Audited Financial Statement for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended March 31, 2021 is as follows:

(Amount in INR thousand)

Particulars	FY 2020-21	FY 2019-20
Revenue from Operations	4,678	2,778
Other Income	284	266
Total Income	**4,962**	**3,044**
Employee Benefit Expenses	39,866	43,593
Depreciation and amortisation expense	1,415	911
Financial Cost	31,396	18,824
Other Expenses	5,747	8,480
Total Expenses	**78,424**	**71,808**
Loss before tax	(73,462)	(68,764)
Total Tax Expenses	-	-
Loss for the year	**(73,462)**	**(68,764)**
Other Comprehensive income (OCI) for the year, net of tax	677	(298)
Total Comprehensive expenses for the financial year	**(72,785)**	**(69,062)**
Earnings per Equity Share (INR) –Face value of ₹ 10/- each	(10.49)	(9.82)

REVIEW OF OPERATIONS

During the financial year under review, your Company has achieved total revenue from operations amounting to ₹ 4,678 thousand as compared to ₹ 2,778 thousand in the previous financial year. The Company has incurred Loss of ₹ 73,462 thousand. There has been no major change, in the nature of business, during the period under review.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments, affecting the financial position of the Company, have occurred between the end of the financial year to which this financial statement relates and the date of this report.

SHARE CAPITAL

During the year under review, the Company has issued and allotted 20,00,000 Optionally Convertible Cumulative Redeemable Preference Shares of face value ₹ 10/- each to Indiamart Intermesh Limited on Rights Basis.

DIVIDEND

Considering the financial position of the Company, the Directors do not recommend any dividend for the year under review.

TRANSFER TO RESERVES

Due to absence of profits, during the year under review, no amount is proposed to be transferred to the Reserves.

PUBLIC DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There is no transaction of Loan, Guarantee and Investment covered under Section 186 of the Companies Act, 2013.

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any related party transactions referred to in Section 188(1) of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

No employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no changes in the directorship of the Company.

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM). Consequently, Mr. Prateek Chandra (DIN: 00356853), who was liable to retire by rotation and being eligible and had offered himself for re-appointment, was re-appointed at the 6^{th} Annual General Meeting of the Company, held on August 28, 2020.

Further, Mr. Manoj Bhargava (DIN: 08267536), who is liable to retire by rotation at the ensuing AGM and being eligible may offer himself for re-appointment in accordance with provisions of the Act.

MEETINGS OF BOARD OF DIRECTORS

The Board met four (4) times during the financial year on May 11, 2020, July 20, 2020, November 07, 2020 and January 16, 2021. The intervening gap between any two meetings was within the limits prescribed by the Act read with Secretarial Standard-1.

The Details regarding Attendance of Directors of the Company in the above stated Board Meetings are as follows:

Sl. No.	Name	Designation	No. of Board Meetings held during the tenure	No. of Meeting Attended during the financial year ended March 31, 2021
1.	Mr. Brijesh Kumar Agrawal	Director	4	4
2.	Mr. Prateek Chandra	Director	4	2
3.	Mr. Manoj Bhargava	Director	4	4

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134 (3)(c) and 134 (5) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

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

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

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

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

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

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

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

COMMITTEES OF THE BOARD

Allotment Committee

The Allotment Committee consist of two (2) members. Two (2) meetings of the Allotment Committee were held on November 07, 2020 and January 16, 2021 during the Financial Year 2020-21.

The composition of the Committee as at March 31, 2021 and the attendance of each member at the Committee Meetings are as given below:

Sl. No.	Name of Members	Category	No. of Board Meetings held during the tenure	No. of Meeting Attended during the financial year ended March 31, 2021
1.	Mr. Brijesh Kumar Agrawal	Member	2	2
2.	Mr. Prateek Chandra	Member	2	2

INTERNAL COMPLAINTS COMMITTEE

An Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013 has been duly constituted and it presently comprises of four (4) members out of which two (2) are women members.

The Company has framed the policy for Prevention of Sexual Harassment of Women at Workplace.

The following is a summary of sexual harassment complaints received and disposed-off during the period under review:

No. of Complaints received	:	Nil
No. of complaints disposed-off	:	Nil
No. of cases pending for more than 90 days	:	Nil
No. of Workshops or Awareness Programmes	:	Nil
Nature of action taken by the Company	:	Not Applicable

AUDITORS

Statutory Auditor

M/s. Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 3rd Annual General Meeting till the conclusion of 8th Annual General Meeting (AGM) of the Company.

The Auditors Report on financial statements are self-explanatory and therefore do not call for any further explanations or comments.

Internal Auditor

During the year under review, the Company was not required to appoint Internal Auditor as per Section 138 of the Companies Act, 2013.

Secretarial Auditor

During the year under review, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Companies Act, 2013.

ANNUAL RETURN

Pursuant to Sub-Section 3(a) of Section 134 and Sub-Section (3) of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Company has uploaded the Annual Return as on March 31, 2020 on its website, which may be viewed at http://pooraa.com.

Further, the extract of Annual Return as on March 31, 2021 forms part of this report as **'Annexure –1'.**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) was not applicable to the Company, during the year under review.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards as specified by the Institute of Company Secretaries of India ("ICSI").

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

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

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

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

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

(Amount in INR)

Details	Financial Year 2020-21	Financial Year 2019-20
Inflows	Nil	Nil
Outflows	1,72,386	86,201

ACKNOWLEDGEMENT

The Board of Directors of the Company take on record their sincere appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the success of your Company. Last but not the least, your Directors are also thankful for consistent co-operation and assistance received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

On behalf of the Board
For **Tolexo Online Private Limited**

Place: Noida
Date: April 28, 2021

Brijesh Kumar Agrawal
Director & Chief Executive Officer
DIN: 00191760

Manoj Bhargava
Director
DIN: 08267536

Board's Report (contd.)

ANNEXURE- 1

EXTRACT OF ANNUAL RETURN
FORM NO. MGT – 9

For the financial year ended March 31, 2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	**CIN**	U72200DL2014PTC267665
2	**Registration Date**	28 May, 2014
3	**Name of the Company**	Tolexo Online Private Limited
4	**Category/Sub-Category of the Company**	Public Company
5	**Address of the Registered office and contact details**	Tolexo Online Private Limited, 1st Floor, 29-Daryaganj, Netaji Subhash Marg, New Delhi-110002 Contact No. 011-49995600 Email- cs@tolexo.com
6	**Whether listed Company**	No
7	**Name, Address and Contact details of Registrar and Transfer Agent, if, any**	Kfin Technologies Private Limited Address: Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serlingampally, Hyderabad - 500032 Contact No.: 1800 309 4001 E-mail: reachus@kfintech.com Website: https://www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Information Services Activity	6311	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of Company	CIN	Holding/ Subsidiary / Associate	% of shares Held	Applicable Section
1.	Indiamart Intermesh Limited	1st Floor, 29 Daryaganj, Netaji Subash Marg, New Delhi-110002	L74899DL1999PLC101534	Holding	100%	2 (46) & (87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF/ Nominee of Body Corporate	-	2*	2	0.003%	-	2*	2	0.003%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	70,01,798	70,01,798	99.997%		70,01,798	70,01,798	99.997%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	-	70,01,800	70,01,800	100%	-	70,01,800	70,01,800	100%	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub -total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**70,01,800**	**70,01,800**	**100%**	**-**	**70,01,800**	**70,01,800**	**100%**	**-**
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)- Body Corporate	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non-Resident Indians	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs									
Sub-total (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**70,01,800**	**70,01,800**	**100%**	**-**	**70,01,800**	**70,01,800**	**100%**	**-**

* Mr. Brijesh Kumar Agrawal & Mr. Dinesh Chandra Agarwal are nominee of Indiamart Intermesh Limited.

ii. Shareholding of Promoter:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 01, 2020)			Shareholding at the end of the year (As on March 31, 2021)			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company*	%of Shares Pledged / encumbered to total shares	
1	Indiamart Intermesh Limited	70,01,798	100%	-	70,01,798	100%	-	-
2	Dinesh Chandra Agarwal (Nominee of Indiamart Intermesh Limited)	1	-	-	1	-	-	-
3	Brijesh Kumar Agrawal (Nominee of Indiamart Intermesh Limited)	1	-	-	1	-	-	-
Total		**70,01,800**	**100%**	**-**	**70,01,800**	**100%**	**-**	**-**

* % upto two decimal places

iii. Change in Promoters' Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the year [As on April 01, 2020]		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	70,01,800	100%	70,01,800	100%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity, etc.)	Nil	Nil	Nil	Nil
3	At the end of the year	70,01,800	100%	70,01,800	100%

iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year April 1, 2020		Increase/ Decrease in Shareholding				Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the Company	Date	Reason	No. of shares	% of total shares of the company
1	Brijesh Kumar Agrawal (Nominee of Indiamart Intermesh Limited)	1	-	-	-	-	-	1	-
2	Prateek Chandra	-	-	-	-	-	-	-	-
3	Manoj Bhargava	-	-	-	-	-	-	-	-
4	Rahul Luthra*	-	-	-	-	-	-	-	-

* Mr. Rahul Luthra, Company Secretary of the Company has ceased to hold the office w.e.f. March 17, 2021.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to other directors: NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

On behalf of the Board
For **Tolexo Online Private Limited**

Place: Noida
Date: April 28, 2021

Brijesh Kumar Agrawal
Director & Chief Executive Officer
DIN: 00191760

Manoj Bhargava
Director
DIN: 08267536

Independent Auditor's Report

To the Board of Directors of Tolexo Online Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of Tolexo Online Private Limited ("the Company"), which comprise the standalone Balance Sheet as, at March 31,2021, and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

(a) in the case of the standalone Balance Sheet, of the state of affairs of the Company as at March 31,2021.

(b) in the case of the standalone Statement of Profit and Loss including other comprehensive income, of the loss for the period ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date; and

(d) In the case of the Statement of Changes in Equity, of the changes in equity for the period ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER PARAGRAPH

We refer accounting policy to the Financial Statement of the Company, wherein financial impact of COVID- 19 on the operations of the company have been disclosed. Future operations of the Company will be subject to developments on COVID-19 front together with stability in the economy which are currently uncertain.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended at March 31, 2021. . These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in note 2.2(d) and Note 17 of the standalone Ind AS financial statements)	
Total turnover for the period ended at March 31, 2021 amounted to ₹ 4,678 thousands. The Company generates revenue primarily from web services and follows a prepaid model for its business. Revenue from web services are recognized based on output method i.e. pro-rata over the period of the contract as and when the company satisfies performance obligations by transferring the promised services to its customers. The service are delivered using IT system which manages very high volume on daily basis and generates reports from which Company recognizes revenue, and hence there is inherent risk around the completeness and accuracy of the revenue recognition. Given the involvement of high volume, IT systems and inherent risk involved as described above, we determined the revenue recognition as key audit matter of the audit.	Our audit procedures included the following: • We read the Company's revenue recognition accounting policies and assessed compliance of policies with applicable financial reporting standards. • We obtained an understanding of the revenue recognition process and tested controls around revenue recognition. • We involved IT specialist, to obtain an understanding, evaluate the design, and test the operating effectiveness of the IT controls related to the revenue recognition process. • We tested the IT general controls (including access controls, change management control and other IT general controls.), the relevant application controls and tested the reports generated by the system.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in note 2.2(d) and Note 17 of the standalone Ind AS financial statements)	
The Company's disclosures are included in Note 2.2(d) and Note 17 to the financial statement, which outlines the accounting policy for revenue and details of revenue recognized.	• We selected a sample of transactions and performed tests of details including reading the contract, identifying performance obligation etc., and assessed whether the criteria for revenue recognition is met. • We also obtained and tested overall reconciliation of revenue and collection as generated from IT systems with accounting system.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone cash flows and standalone changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of

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

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

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

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

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

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

o Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

o 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.

o Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

o Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

o 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.

o 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.

o From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial period ended at March 31,2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that :

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors i s disqualified as on March 31,2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order.

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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date:28 April 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOLEXO ONLINE PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Tolexo Online Private Limited ("the Company") as of at March 31,2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2021 , based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date:28 April 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOLEXO ONLINE PRIVATE LIMITED

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on Other Legal and Regulatory Requirements' section.

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the company donot own any the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. In our opinion and according to the information and explanations given to us, the Company is not having any inventory. Accordingly clause 3(ii) of the Order is not applicable.

iii. (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly clauses 3(iii) (a) & (b) of the Order are not applicable.

(b) Since there are no such loans, the comments regarding repayment of the principal amount & interest due thereon and overdue amounts are not required.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. a. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable

b. There are some dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute which is pending with CIT(Appeals):

Assessment year	Remarks	Amount	Pending before
2016-17	Demand raised for addition of income relating to receipts of securitiespremium against share allotment to IM	₹ 5,96,90,660/-	CIT(Appeals)
2017-18	Demand raised for addition of income relating to receipts of securities premium against share allotment to IM	₹ 24,29,93,680/-	CIT(Appeals)

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and Company has not raised any term loans. Accordingly provisions of clause (ix) of the Order is not applicable on the Company.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion, and according to the information and explanations given to us, managerial remuneration has not been paid / provided. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company.

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence not commented upon.

xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Pankaj Jain
(Partner) Membership No. 095412

Place: Delhi
Date:28 April 2021

Balance Sheet
as at March 31, 2021

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

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	757	1,945
Intangible assets	5	70	174
Other financial assets	6	195	314
Non-current tax assets (net)	16	169	166
Other non-current assets	7	16,723	16,779
Total non-current assets		**17,914**	**19,377**
Current assets			
Financial assets			
(i) Cash and cash equivalents	8	5,436	22,911
(ii) Loans	6	733	1,254
Current tax assets (net)	16	1,650	1,702
Other current assets	7	526	677
Total current assets		**8,345**	**26,544**
Total assets		**26,259**	**45,921**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	70,018	70,018
Other equity	10	(308,946)	(237,814)
Total equity		**(238,928)**	**(167,796)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	253,871	204,129
Provisions	14	2,034	2,352
Contract Liabilities	15	529	73
Total non-current liabilities		**256,434**	**206,554**
Current liabilities			
Financial liabilities			
(i) Trade payables	12		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		311	405
(ii) Other financial liabilities	13	2,781	2,478
Provisions	14	1,082	245
Contract liabilities	15	4,068	3,707
Other current liabilities	15	511	328
Total current liabilities		**8,753**	**7,163**
Total liabilities		**265,187**	**213,717**
Total equity and liabilities		**26,259**	**45,921**
Summary of significant accounting policies	2		

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

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: 28 April 2021

For and on behalf of the Board of Directors of
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Place: Noida
Date: 28 April 2021

Statement of Profit and Loss
for the year ended March 31, 2021

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

	Notes	As at 31 March 2021	As at 31 March 2020
INCOME:			
Revenue from operations	17	4,678	2,778
Other income	18	284	266
Total income		**4,962**	**3,044**
EXPENSES:			
Employee benefits expense	19	39,866	43,593
Finance costs	20	31,396	18,824
Depreciation, amortization and impairment expenses	21	1,415	911
Other expense	22	5,747	8,480
Total expenses		**78,424**	**71,808**
Loss before tax		**(73,462)**	**(68,764)**
Loss for the year		**(73,462)**	**(68,764)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement income/(losses) on defined benefit plans		677	(298)
Income tax effect		-	-
		677	**(298)**
Other comprehensive income/(loss) for the year, net of tax		**677**	**(298)**
Total comprehensive profit/(loss) for the year		**(72,785)**	**(69,062)**
Earnings per equity share:	23		
Basic earnings per equity share (INR) - face value of ₹ 10 each		(10.49)	(9.82)
Diluted earnings per equity share (INR) - face value of ₹ 10 each		(10.49)	(9.82)
Summary of significant accounting policies	2		

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

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: 28 April 2021

For and on behalf of the Board of Directors of
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Place: Noida
Date: 28 April 2021

Statement of Changes in Equity

for the year ended March 31, 2021

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

(A) EQUITY SHARE CAPITAL (REFER NOTE 9)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 01 April 2019	**70,018.00**
Changes in equity share capital during the year	-
As at 31 March 2020	**70,018.00**
Changes in equity share capital during the year	-
As at 31 March 2021	**70,018.00**

(B) OTHER EQUITY (REFER NOTE 10)

Particulars	Equity portion of OCCRPS (refer note 10)	Retained earnings	Total other equity
Balance as at 1 April 2019	**100,858**	**(261,820)**	**(160,962)**
Loss for the year	-	(68,764)	(68,764)
Other comprehensive income/ (loss) for the year	-	(298)	(298)
Equity contribution	(7,790)	-	(7,790)
Total comprehensive loss	**(7,790)**	**(69,062)**	**(76,852)**
Balance as at 31 March 2020	**93,068**	**(330,882)**	**(237,814)**
Loss for the year	-	(73,462)	(73,462)
Other comprehensive income/ (loss) for the year	-	677	677
Equity contribution	1,653	-	1,653
Total comprehensive loss	**1,653**	**(72,785)**	**(71,132)**
Balance as at 31 March 2021	**94,721**	**(403,667)**	**(308,946)**

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

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: 28 April 2021

For and on behalf of the Board of Directors of
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Place: Noida
Date: 28 April 2021

Standalone Statement of Cash Flows

for the year ended March 31, 2021

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
LOSS BEFORE TAX	(73,462)	(68,764)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation of property, plant and equipment	1,306	851
Amortisation of intangible assets	109	60
Finance income	(284)	(266)
Interest expense on financial liability measured at amortised cost	31,396	18,824
Operating loss before working capital changes	**(40,936)**	**(49,295)**
MOVEMENT IN WORKING CAPITAL		
(Increase)/decrease in other financial assets	119	55
(Increase)/ decrease in other assets	727	(1,773)
(Increase)/decrease in other non-current financial assets	303	1,524
(decrease) in trade payables	(95)	(1,507)
Increase/(decrease) in other liabilities	184	(87)
Increase in provisions	1,194	736
Increase in contract liabilities	817	2,762
Cash generated from operations	**(37,687)**	**(47,585)**
Income tax paid/ (refund)	46	(104)
Net cash generated/(used) in operating activities	**(37,641)**	**(47,689)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(118)	(2,304)
Interest received	284	266
Purchase of intangible assets	-	(127)
Net cash flows generated used in investing activities	**166**	**(2,165)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Optionally convertible cumulative redeemable preference share (OCCRPS) (Note 11)	20,000	58,000
Net cash generated from financing activities	20,000	58,000
Net cash flow from discontinued operation pursuant to scheme		
Net cash generated from financing activities		
Net (decrease) / increase in cash and cash equivalents	**(17,475)**	**8,146**
Cash and cash equivalents at the beginning of the year	22,911	14,765
Cash and cash equivalents at the end of the period (Note 8)	**5,436**	**22,911**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	5,436	22,911
Total cash and cash equivalents (Note 8)	**5,436**	**22,911**

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

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: Delhi
Date: 28 April 2021

For and on behalf of the Board of Directors of
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Place: Noida
Date: 28 April 2021

Notes to the Financial Statements

for the year ended March 31, 2021

1. CORPORATE INFORMATION

Tolexo Online Private Limited ("the Company") is a public company domiciled in India and was incorporated on May 28, 2014 under the provisions of the Companies Act applicable in India. The Company is engaged in the business of building cloud-based solutions for SME businesses to help and manage their business with increased efficiency. The registered office of the Company is located at 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 28 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The preparation of these financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.2 Summary of significant accounting policies

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

a) Statement of Compliance

The financial statements for the year ended 31 March 2021 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act 2013 ("the Act") (as amended from time to time).

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

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

b) Current versus non-current classification

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

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

c) Fair value measurement

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

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

(i) In the principal market for the asset or liability, or

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

(ii) Level 2 — inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 — Unobservable inputs for the asset or liability reflecting Company's assumptions about pricing by market participants

For assets and liabilities that are recognised in the financial statements on fair value on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

- Disclosures for significant estimates and assumptions (Note 3)

- Disclosures for valuation methods and quantitative disclosure of fair value measurement hierarchy (Note 25)

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government.

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

Rendering of services

Revenue from software services in the form of subscription fee are recognised over the period of contract as and when the services are rendered.

The unaccrued amounts are not recognised as revenue till all related performance obligation are fulfilled and are reflected in balance sheet as contract liabilities (income received in advance).

Revenue from marketing fees & service fee is recognized on delivery. The Company collects Goods and Service tax (GST) on commission income on behalf of the government and, therefore, it is not economic benefits flowing to the Company. Hence, it is excluded from revenue.

Interest income

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

e) Property, plant and equipment

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

The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013. The Company identifies the components separately, if it has useful life different from the respective property, plant and equipment.

Based on the analysis, Company believes that it does not have any asset having useful life of its major components different from the property, plant and equipment, hence Company believes that there is no material impact on the financial statement of the Company due to component accounting.

Depreciation is calculated on a written down value basis using the rates arrived at based on the useful lives prescribed under Schedule II to Companies Act, 2013.

Notes to the Financial Statements
for the year ended March 31, 2021

The Company has used the following rates to provide depreciation on its Property, plant and equipment:

Asset	Annual rates
Computers	63.16%
Furniture and fittings	26.89%
Office equipment	45.07%

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

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

f) Intangible assets

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

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

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

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

Intangibles being Software's acquired by the Company are amortised on a written down value at 40% annually.

g) Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five periods. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth period. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent periods, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A

Notes to the Financial Statements
for the year ended March 31, 2021

previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

h) Taxes

Current Income tax

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

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

Deferred Tax

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

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

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

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

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

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

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

Sales/ value added taxes/ Service tax/ Goods and service tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/ service tax/ GST paid, except:

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

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

i) Provisions and contingent liabilities

Provisions

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

Notes to the Financial Statements

for the year ended March 31, 2021

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

Contingent liabilities

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

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

j) Retirement and other employee benefits

Short-term obligations

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

Post-employment obligations

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

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

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

Other long-term employee benefit obligations

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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

k) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans to employees, trade and other receivables. For more information on receivables, refer to Note 27.

Debt instruments at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

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

Debt instrument at FVTPL

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at

Notes to the Financial Statements
for the year ended March 31, 2021

the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

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

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

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

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

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

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for the year ended March 31, 2021

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

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

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

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

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

Embedded derivatives
An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

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

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

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

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

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

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

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

Notes to the Financial Statements

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

l) Foreign currency transactions

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

Transactions and balances

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

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

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

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

m) Earnings per share

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

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

n) Cash and cash equivalents

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

o) Contributed equity

Equity shares are classified as equity.

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

p) Recently issued accounting pronouncements

On 24 March 2021, the Ministry of Corporate Affairs (MCA), notified amendments in Schedule III to the Companies Act, 2013 effective from 1 April 2021. Following are key amended provisions which may have impact on the presentation of standalone financial statement of the Company:

Balance sheet:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables and capital work-in-progress.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to undisclosed income, Corporate Social Responsibility (CSR) and crypto or virtual currency specified under the head 'additional information' in the notes to the financial statements.

The Company is currently evaluating the impact of these amendment on its financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments,

Notes to the Financial Statements

for the year ended March 31, 2021

estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

Estimates and assumptions

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

a) Defined benefit plans (gratuity benefit)

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

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Further details about gratuity obligations are given in Note 24.

b) Fair value measurement of financial instruments

When the fair values of financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model and Binomial Option Pricing model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 25 and 27 for further disclosures.

c) Useful life of assets considered for depreciation of Property, Plant and Equipment

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

IND AS 116 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

A contract is lease contract that conveys the right to control the use of an identified asset if, throughout the period of use, the Company has the right to: (1) obtain substantially all of the economic benefits from the use of the identified asset and (2) direct the use of the identified asset (i.e., direct how and for what purpose the asset is used).

Therefore, the assets on which the Company did not have a substantive right/practical ability to substitute the allocated space that shall not be considered as a lease contract.

Impact of COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue and cost, impact on leases, impact on investment in subsidiaries and associates and investment in other entities. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

Notes to the Financial Statements

for the year ended March 31, 2021

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

4 PROPERTY, PLANT AND EQUIPMENT

	Computers	Office equipment	Total Property, Plant and Equipment
GROSS CARRYING AMOUNT			
As at 1 April 2019	**1,026**	**859**	**1,885**
Additions for the year	2,252	52	2,304
As at 31 March 2020	**3,278**	**911**	**4,189**
Additions for the year	112	6	118
As at 31 March 2021	**3,390**	**917**	**4,307**
ACCUMULATED DEPRECIATION			
As at 1 April 2019	**760**	**634**	**1,394**
Charge/impairment for the period	751	99	850
As at 31 March 2020	**1,511**	**733**	**2,244**
Charge/impairment for the period	1,170	136	1,306
As at 31 March 2021	**2,681**	**869**	**3,550**
NET BOOK VALUE			
As at 1 April 2019	**265**	**226**	**491**
As at 31 March 2020	**1,767**	**178**	**1,945**
As at 31 March 2021	**709**	**48**	**757**

5 INTANGIBLE ASSETS

	Softwares	Total
GROSS CARRYING AMOUNT		
As at 1 April 2019	**635**	**635**
Additions for the year	127	127
As at 31 March 2020	**762**	**762**
Additions for the year	5	5
As at 31 March 2021	**767**	**767**
ACCUMULATED DEPRECIATION		
As at 1 April 2019	**528**	**528**
Amortisation/impairment for the year	60	60
As at 31 March 2020	**588**	**588**
Amortisation/impairment for the year	109	109
As at 31 March 2021	**697**	**697**
NET BOOK VALUE		
As at 1 April 2019	**107**	**107**
As at 31 March 2020	**174**	**174**
As at 31 March 2021	**70**	**70**

Notes to the Financial Statements
for the year ended March 31, 2021

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

6 FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
a) Non-current (unsecured, considered good unless stated otherwise)		
Other financial assets		
Security deposits	195	314
Total other financial assets	**195**	**314**
b) Loans		
Loans to employees		
considered good- Unsecured	733	1,254
	733	**1,254**

7 OTHER ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

	As at March 31, 2021	As at March 31, 2020
Non-current		
Indirect taxes recoverable	16,723	16,779
	16,723	**16,779**
Current		
Advances recoverable in cash or kind	100	114
Prepaid expenses	426	563
Total	**526**	**677**

8 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Balance with bank		
- On current accounts	5,436	22,911
Total Cash and cash equivalents	**5,436**	**22,911**

Notes:

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

9 SHARE CAPITAL

	Number of shares	Amount
Authorised equity share capital		
As at 1 April 2019	**55,000,000**	**550,000**
Increase/(decrease) during the year		
As at 31 March 2020	**55,000,000**	**550,000**
Increase/(decrease) during the year		
As at 31 March 2021	**55,000,000**	**550,000**
Issued equity share capital (subscribed and fully paid up)		
As at 1 April 2019	**7,001,800**	**70,018**
Shares issued during the year		
As at 31 March 2020	**7,001,800**	**70,018**
Shares issued during the year	-	-
As at 31 March 2020	**7,001,800**	**70,018**

a) Terms/ rights attached to equity shares:

1) The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity is entitled to one vote per share.

Notes to the Financial Statements

for the year ended March 31, 2021

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

2) In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Shares held by holding company

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (one-one shares held by Brijesh Kumar Agarwal & Dinesh Chandra Agarwal as Nominee of IndiaMART InterMESH Limited)	7,001,800	100%	7,001,800	100%

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

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (one-one shares held by Brijesh Kumar Agarwal & Dinesh Chandra Agarwal as Nominee of IndiaMART InterMESH Limited)	7,001,800	100%	7,001,800	100%

10 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Equity portion of OCCRPS (refer note 11)	94,721	93,068
Retained earnings	(403,667)	(330,882)
Total other equity	**(308,946)**	**(237,814)**

11 BORROWINGS

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
NON-CURRENT				
Measured at amortised cost				
Optionally convertible cumulative redeemable preference shares (unsecured)	17,276,325	253,871	15,276,325	204,129
Total	**17,276,325**	**253,871**	**15,276,325**	**204,129**

Notes:

The Company had issued certain Optionally convertible redeemable preference shares (OCRPS). These OCRPS will be optionally convertible into equity shares of the Company at issued price including premium or at fair market value at the time of conversion at the option of holder. The OCRPS will be redeemable (in whole or in part) either at the option of the Company or at the option of the holder of the OCRPS after the expiry of 5 years from the date of allotment but before any time within 20 years from the date of allotment of OCRPS at par/premium. Based on these terms, the OCRPS have been bifurcated into a host non-derivative financial liability component and a separable embedded derivative component (i.e. holders option to convert the OCRPS either at issue price or fair market value at the time of conversion). The non-derivative financial liability component is measured at amortised cost using effective interest rate (EIR) method. The EIR represents the discount rate used to compute the fair value of the non-derivative financial liability component. The separable embedded derivative financial liability is measured at fair value on intial recognition with subsequent changes in fair value recognised through Statement of Profit and Loss and is disclosed under "Net (gain)/loss on derivative financial liability measured at amortised cost".

With effect from 22 February 2019, the Company has changed its terms of OCRPS to Optionally convertible cumulative redeemable preference shares (OCCRPS) to fix the tenure to 31 December 2025 and amount of redemption of preference shares to ₹ 30 per share including ₹ 20 per share for premium on redemption and conversion ratio is fixed for 1:1 per OCCRPS to equity share.

Notes to the Financial Statements
for the year ended March 31, 2021

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

	Number of shares	Amount
Authorised Preferenec Share capital		
As at 01 April 2019	**25,000,000**	**250,000**
Increase/(decrease) during the year	-	-
As at 31 March 2020	**25,000,000**	**250,000**
Increase/(decrease) during the year	-	-
As at 31 March 2021	**25,000,000**	**250,000**
Issued preference share capital (subscribed and fully paid up)		
As at 1 April 2019	**9,476,325**	**94,763**
Increase/(decrease) during the year	5,800,000	58,000
As at 31 March 2020	**15,276,325**	**152,763**
Increase/(decrease) during the year	2,000,000	20,000
As at 31 March 2021	**17,276,325**	**172,763**

		As at March 31, 2021		As at March 31, 2020	
		Number	Percentage	Number	Percentage
a)	**Shares held by holding company**				
	0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
	Indiamart Intermesh Limited	17,276,325	100%	15,276,325	100%
(b)	**Details of shareholders holding more than 5% shares in the Company**				
	0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
	Indiamart Intermesh Limited	17,276,325	100%	15,276,325	100%

c) **Terms/rights attached to 0.01% Optionally convertible cumulative redeemable preference share (OCCRPS)**

The Company has issued only one class of preference shares i.e 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS).The OCCRPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up; the OCCRPS shall be participating in the surplus funds; the OCCRPS shall be participating in surplus assets and profits, on winding- up which may remain after the entire capital has been repaid; (The OCCRPS will be entitled to dividend, if declared by the Board of Directors, on cumulative basis). The OCCRPS holders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Companies Act 2013.

The OCCRPS will be optionally convertible into one is to one equity share of the Company at price of ₹ 30 per share including premium of ₹ 20 per share. These OCCRPS will be redeemable (in whole or in part) at the option of the holder of the OCCRPS on 31 December 2025.

12 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Payable to micro, small and medium enterprises	-	-
Other trade payables		
Other	311	405
Total	**311**	**405**

Notes to the Financial Statements

for the year ended March 31, 2021

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

13 OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Current		
Payable to employees	2,781	2,478
Total	**2,781**	**2,478**

14 PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for employees benefits*		
Provision for gratuity	1,385	1,513
Provision for leave encashment	649	839
	2,034	**2,352**
Current		
Provision for employees benefits*		
Provision for gratuity	404	106
Provision for leave encashment	678	139
Total	**1,082**	**245**

Refer note 24

15 CONTRACT & OTHER CURRENT LIABILITIES

		As at March 31, 2021	As at March 31, 2020
(a)	**Contract liabilities***		
	Non-Current		
	Deferred revenue	529	73
		529	**73**
	Current		
	Deferred revenue	3,576	3,680
	Advances from customers	492	27
		4,068	**3,707**
Total		**4,597**	**3,780**
(b)	**Other current liabilities**		
	Professional Tax payable	2	5
	Tax deducted at source payable	458	253
	Contribution to provident fund payable	48	66
	Contribution to ESI payable	3	4
	Total	**511**	**328**

* Contract liabilities includes consideration received in advance to render services in future periods.

16 CURRENT TAX ASSETS AND LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Current tax assets (net of provisions)		
Current	1,649.52	1,702
Non current	169.28	166
Total	**1,818.80**	**1,868**

Notes to the Financial Statements
for the year ended March 31, 2021

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

17 REVENUE FROM OPERATIONS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of services		
Income from web services	4,678	2,778
Total	**4,678**	**2,778**

Transaction price allocated to the remaining performance obligations

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

	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Income from web services	4,068	529	3,708	73
	4,068	**529**	**3,708**	**73**

No consideration from contracts with customers is excluded from the amounts presented above.

The Company applies practical expedient in Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Contract liabilities (deferred revenue)	As at March 31, 2021	As at March 31, 2020
Income from services	4,597	3,781
	4,597	**3,781**
Non-current	529	73
Current	4,068	3,708
	4,597	**3,781**

Revenue recognised that was included in the contract liability balance at the beginning of the year:

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

	As at March 31, 2021	As at March 31, 2020
Opening balance at the beginning of the year	3,781	1,018
Less: Revenue recognised from contract liability balance at the begnning of the year	2,675	845
Add: Amount received from customers during the year (net of Refund)	5,495	5,540
Less: Revenue recognised from amount received during the year	2,004	1,933
Closing balance at the end of the year	**4,597**	**3,781**

18 OTHER INCOME

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income on fixed deposit with banks	275	263
Other interest income	9	3
Total	**284**	**266**

Notes to the Financial Statements

for the year ended March 31, 2021

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

19 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	37,961	41,946
Gratuity expense (refer note 24)	847	456
Leave encashment expense (refer note 24)	612	608
Contribution to provident and other funds	439	293
Staff welfare expenses	7	290
Total	**39,866**	**43,593**

20 FINANCE COSTS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on financial liability measured at amortised cost	31,396	18,824
	31,396	**18,824**

21 DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation/ Impairment of property, plant and equipment (refer note 4)	1,306	851
Amortisation/ Impairment of intangible assets (refer note 5)	109	60
Total	**1,415**	**911**

22 OTHER EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Internet and other online expenses	1,887	2,067
Rent	352	2,837
Rates and taxes	102	76
Communication costs	130	24
Advertisement expenses	1,178	55
Printing and stationery	33	38
Repair and maintenance:		
-Plant and machinery	61	76
Travelling and conveyance	118	505
Legal and professional fees	1,042	2,074
Brokerage and commision	-	20
Auditor's remuneration	60	60
Insurance expenses	731	527
Collection charges	4	11
Recruitment and training expenses	49	104
Miscellaneous expenses	0	5
Total	**5,747**	**8,480**

Payment to Auditors

	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:	60	60
- Audit fee	**60**	**60**

Notes to the Financial Statements

for the year ended March 31, 2021

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

23 EARNINGS PER SHARE

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

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Basic earning per share		
Loss for the year	(73,462)	(68,764)
Weighted average number of equity shares in calculating basic EPS	7,001,800	7,001,800
Basic earning per share	**(10.49)**	**(9.82)**
Diluted earning per share		
Loss for the year for basic earnings per share	(73,462)	(68,764)
Interest expense on convertible preference shares	31,396	18,824
Adjusted Loss for the year	**(42,066)**	**(49,940)**
Weighted average number of equity shares in calculating basic EPS	7,001,800	7,001,800
Potential equity shares in the form of convertible preference shares	16,268,098	11,557,857
Total no. of shares outstanding (including dilution)	**23,269,898**	**18,559,657**
Diluted earning per share	(0.18)	(0.27)

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

24 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN

The Company has a defined benefit gratuity plan. Every employee who will complete statutory required period of service, will gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and salary risk.

The amount included in the balance sheet arising from the company's obligation in respect of its gratuity plan and leave encashment is as follows:

	As at March 31, 2021	As at March 31, 2020
Gratuity - defined benefit plan		
Present value of unfunded defined benefit obligation	1,789	1,619
	1,789	**1,619**
Leave encashment - other long term employee benefit plan		
Present value of other long term empoyee benefit plan	1,326	978
	1,326	**978**

a) Reconciliation of the net defined benefit (asset) liability and other long term employee benefit plan

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

Notes to the Financial Statements

for the year ended March 31, 2021

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

Reconciliation of present value of defined benefit obligation for Gratuity

	Gratuity For the year ended	
	31 March 2021	31 March 2020
Balance at the beginning of the year	1,619	865
Benefits paid		
Current service cost	745	390
Interest cost	103	66
Remeasurements		
Actuarial (gains) losses		
- changes in demographic assumptions	(2,409)	497
- changes in financial assumptions	1,694	(42)
- experience adjustments	38	(157)
Balance at the end of the year	**1,789**	**1,619**

Reconciliation of present value of other long term employee benefit plan for Leave encashment

	Leave encashment For the year ended	
	31 March 2021	31 March 2020
Balance at the beginning of the year	978	697
Benefits paid	(265)	(328)
Current service cost	944	398
Interest cost	62	54
Remeasurements		
Actuarial (gains) losses		
- changes in demographic assumptions	(1,484)	302
- changes in financial assumptions	889	(42)
- experience adjustments	202	(103)
Balance at the end of the year	**1,326**	**978**

b) Expense recognised in profit or loss

	Gratuity For the year ended	
	31 March 2021	31 March 2020
Current service cost	745	390
Net interest expense	103	66
Components of defined benefit costs recognised in profit or loss	**847**	**456**
Remeasurement of the net defined benefit liability:		
Actuarial (gain) /loss on defined benefit obligation	677	298
Components of defined benefit costs recognised in other comprehensive income	**677**	**298**
Total	**1,524**	**754**

Notes to the Financial Statements

for the year ended March 31, 2021

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

	Leave encashment For the year ended	
	31 March 2021	31 March 2020
Current service cost	944	398
Net interest expense	62	54
Actuarial (gain) loss on other long term employee benefit plan	(393)	157
Components of defined benefit costs recognised in profit or loss	**613**	**608**
Total	**613**	**608**

c) **Actuarial assumptions**

Principal actuarial assumptions for the period (expressed as weighted averages):

	As at 31 March 2021	As at 31 March 2020
Discount rate	4.70%	6.35%

	As at 31 March 2021		As at 31 March 2020	
	Upto 4 years of service	Above 4 years of service	Upto 4 years of service	Above 4 years of service
Attrition rate: (%)				
Ages				
Upto 30 years	35.00%	35.00%	9.65%	0.00%
From 31 to 44 years	35.00%	35.00%	11.76%	14.29%
Above 44 years	35.00%	35.00%	0.00%	0.00%
Future salary growth				
Year 1	7.00%	7.00%	5.00%	5.00%
Year 2	7.00%	7.00%	8.00%	12.00%
Year 3 and onwards	7.00%	7.00%	8.00%	12.00%
Mortality table	India Assured Life Mortality (2012-14)		India Assured Life Mortality (2012-14)	

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

d) **Sensitivity analysis**

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

Gratuity	Increase	Decrease
For the year ended 31 March 2021		
Impact of change in discount rate by 0.50%	(33)	204
Impact of change in salary by 0.50%	31	140
For the year ended 31 March 2020		
Impact of change in discount rate by 0.50%	(96)	107
Impact of change in salary by 0.50%	66	(66)

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

Notes to the Financial Statements

for the year ended March 31, 2021

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

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

	As at March 31, 2021	As at March 31, 2020
Within one year	404	106
Within one - three years	556	178
Within three - five years	428	209
Above five years	402	1,126
	1,789	**1,619**

25 FAIR VALUE MEASUREMENTS

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

	As at March 31, 2021	As at March 31, 2020
Financial assets		
- Cash and cash equivalents	5,436	22,911
- Loan to employees	733	1,254
- Security deposits	195	314
Total financial assets	**6,364**	**24,479**
Financial liabilities		
Measured at Amortised cost		
- Borrowings	253,871	204,129
- Trade payables & Other Financial liabilties	3,092	2,884
	256,963	**207,013**
Total financial liabilities	**256,963**	**207,013**

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

i) The carrying value of cash and cash equivalents, loan to employees, trade payables, security deposits and other financial assets and financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.

ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk

c) During the period ended 31 March 2021 and 31 March 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

26 CAPITAL MANAGEMENT

The Company manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

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

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

27 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Notes to the Financial Statements
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i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and bank balances, trade receivables and security deposits.

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

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

Trade receivables

The Company collects consideration in advance for the services to be provided to the customer. As a result, the Company is not exposed to significant credit risk on trade receivables.

Cash and cash equivalents and bank deposits

The Company maintains its cash and cash equivalents and bank deposits with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

ii) Liquidity risk management

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

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

Maturities of financial liabilities

Maturities of financial liabilities

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

Contractual maturities of financial liabilities

Wednesday, March 31, 2021	Within 1 year	Between 1 and 5 years	More then 5 years	Total
Trade payables	310	-	-	310
Other financial liabilities	2,781	-	-	2,781
Borrowings	-	253,871	-	253,871
	3,092	**253,871**	**-**	**256,963**

Tuesday, March 31, 2020	Within 1 year	Between 1 and 5 years	More then 5 years	Total
Trade payables	405	-	-	405
Other financial liabilities	2,478	-	-	2,478
Borrowings	-	-	204,129	204,129
	2,883	**-**	**204,129**	**207,012**

Notes to the Financial Statements
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(Amounts in INR "Thousands", unless otherwise stated)

28 RELATED PARTY DISCLOSURES

i) Names of related parties and related party relationship

a) **Holding Company** — Indiamart Intermesh Limited

b) **Key Management Personnel (KMP)**

Director & CEO	Brijesh Kumar Agrawal
Director & CFO	Prateek Chandra
Director	Manoj Bhargava
Company Secretary	Rahul Luthra (Resigned w.e.f March 17, 2021)

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Issue of 0.01% Optionally convertible cumulative redeemable preference share (OCCRPS)		
IndiaMart InterMesh Ltd	20,000	58,000
Balance of Optionally convertible cumulative redeemable preference share (OCCRPS)		
IndiaMart InterMesh Limited	253,871	204,129

Terms and conditions of transactions with related parties

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

29 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT 2006:

The principal amount and the interest due thereon remaining unpaid to any supplier as at end of each accounting period

	As at 31 March 2021	As at 31 March 2020
- Principal amount due to micro and small enterprises	-	-
	-	-

30 CONTINGENT LIABILITIES IN RESPECT OF INCOME-TAX DEMAND

Particulars	As at 31 March 2021	As at 31 March 2020
(In respect of Assessment year 2016-17, demand was raised for addition of income relating to receipts of securities premium against share allotment made to IndiaMART InterMESH Limited and accordingly the losses to be carried forward by the Company are demanded to be reduced from INR 719,220 to INR 482,070. The matter is pending with CIT(Appeals). The Company is contesting the demand and the management believe that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the financial statements for tax demand raised)	59,691	59,691
(In respect of Assessment year 2017-18, demand of INR 2,42,994 was raised on Tolexo Online Private limited due to addition of income relating to receipts of securities premium against share allotment made to IndiaMART InterMESH Limited . The Company is contesting the demand and the management believe that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the financial statements for tax demand raised.)	242,994	242,994

Notes to the Financial Statements
for the year ended March 31, 2021

31 GOING CONCERN

The parent company shall provide financial support to the Company, so as to meet its liabilities and commitments as and when the same is required.

32 Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current period.

33 Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current year.

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: 28 April 2021

For and on behalf of the Board of Directors of
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Place: Noida
Date: 28 April 2021

Board's Report

Dear Members,

Your Directors have pleasure in presenting 16th Board's Report on the business and operations of the Company together with the Audited Financial Statement for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The Financial Performance of the Company for the year ended March 31, 2021 is as follows:

(Amount in INR thousand)

Particulars	FY 2020-21	FY 2019-20
Revenue from Operations	-	-
Other Income	6	3
Total Income	**6**	**3**
Employee Benefit Expenses	-	-
Purchase of traded goods	-	-
Financial Cost	3,647	3,137
Other Expenses	685	120
Total Expenses	**4,332**	**3,257**
Loss before tax	(4,326)	(3,254)
Total Tax Expenses	-	-
Profit/(Loss) for the year	(4,326)	(3,254)
Other Comprehensive loss for the financial year	-	-
Total Comprehensive income/(loss) for the financial year	**(4,326)**	**(3,254)**
Earnings per Equity Share (INR) – Face value of ₹ 10/- each	(39.33)	(29.58)

REVIEW OF OPERATIONS

No Business activities were carried out by the company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

During the reporting period, the Company has adopted new main objects which is primarily to carry out business related to Investment and allied activities. Furthermore, the Company has changed its name to Tradezeal Online Private Limited thereby, aligning it with the objects of the Company.

SHARE CAPITAL

During the year under review, the Company has issued and allotted 20,00,000 Optionally Convertible Cumulative Redeemable Preference Shares of face value ₹ 10/- each to Indiamart Intermesh Limited on Rights Basis.

DIVIDEND

Considering the financial position of the Company, the Directors do not recommend any dividend for the year under review.

TRANSFER TO RESERVES

Due to absence of profits, during the year under review, no amount is proposed to be transferred to the Reserves.

PUBLIC DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There is no transaction of Loan, Guarantee and Investment covered under Section 186 of the Companies Act, 2013.

However, the Company made few investments and obtained short term loans & advances, from its Holding Company i.e. Indiamart Intermesh Limited, between the end of the financial year and date of this report which was duly approved by the Board. The details of investment in securities are as under:

- Legistify Services Private Limited (11.01% of the Share Capital on fully diluted basis);
- Truckhall Private Limited (25.02% of the Share Capital on fully diluted basis); and
- Shipway Technology Private Limited (26.00% of the Share Capital on fully diluted basis).

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the period under review.

However, consequent to the investments made between the end of the financial year and date of this report, Truckhall Private Limited and Shipway Technology Private Limited have been established as Associate Companies.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any related party transactions referred to in Section 188(1) of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

No employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no changes in the directorship of the Company.

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM). Consequently, Mr. Praveen Kumar Goel (DIN: 03604600), who was liable to retire by rotation and being eligible and had offered himself for re-appointment, was re-appointed at the 15th Annual General Meeting of the Company, held on August 28, 2020.

Further, Mr. Sudhir Gupta (DIN: 08267484), who is liable to retire by rotation at the ensuing AGM and being eligible may offer himself for re-appointment in accordance with provisions of the Act.

MEETING OF BOARD OF DIRECTORS

The Board met six (6) times during the financial year on May 11, 2020, July 20, 2020, November 07, 2020, January 16, 2021, March 17, 2021 and March 30, 2021. The intervening gap between any two meetings was within the limits prescribed by the Act read with Secretarial Standard-1.

The Details regarding Attendance of Directors of the Company in the above-mentioned Board Meetings are as follows:

Sl. No.	Name	Designation	No. of Board Meetings held during the tenure	No. of Meeting Attended during the financial year ended March 31, 2021
1	Mr. Praveen Kumar Goel	Director	6	4
2	Mr. Manoj Bhargava	Director	6	5
3	Mr. Sudhir Gupta	Director	6	6

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134 (3)(c) and 134 (5) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

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

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

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

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

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

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

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

COMMITTEES OF THE BOARD

As the provisions of Section 177 & 178 of the Companies Act, 2013 read with rules made thereunder are not applicable to the Company, no committee of Board is constituted in terms thereof.

AUDITORS

Statutory Auditor

M/s Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 15th Annual General Meeting till the conclusion of 20th Annual General Meeting (AGM) of the Company.

The Auditors Report on financial statements are self-explanatory and therefore do not call for any further explanations or comments.

Internal Auditor

During the year under review, the Company was not required to appoint Internal Auditor as per Section 138 of the Companies Act, 2013.

Secretarial Auditor

During the year under review, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Companies Act, 2013.

ANNUAL RETURN

Pursuant to Sub-Section 3(a) of Section 134 and Sub-Section (3) of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return as on March 31, 2021 forms part of this report as 'Annexure –1'.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) was not applicable to the Company, during the year under review.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards as specified by the Institute of Company Secretaries of India ("ICSI").

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

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

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

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

ACKNOWLEDGEMENT

The Board of Directors of the Company take on record their sincere appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the success of your Company. Last but not the least, your Directors are also thankful for consistent co-operation and assistance received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

On behalf of the Board
For **Tradezeal Online Private Limited**

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Board's Report (contd.)

ANNEXURE- 1

EXTRACT OF ANNUAL RETURN

FORM NO. MGT – 9

For the financial year ended March 31, 2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	**CIN**	U74110DL2005PTC136907
2	**Registration Date**	May 31, 2005
3	**Name of the Company**	Tradezeal Online Private Limited
4	**Category/Sub-Category of the Company**	Public Company
5	**Address of the Registered office and contact details**	TRADEZEAL ONLINE PRIVATE LIMITED, 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002 Contact No. 011- 49995600 Email Id – compliance@tradezeal.com
6	**Whether listed Company**	No
7	**Name, Address and Contact details of Registrar and Transfer Agent, if, any**	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
		NIL	

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of Company	CIN	Holding/ Subsidiary / Associate	% of shares Held	Applicable Section
1	Indiamart Intermesh Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002	L74899DL1999PLC101534	Holding	100%	2 (46) & (87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF/ Nominee of Body Corporate	-	100*	100	00.09%	-	100*	100	00.09%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	1,09,900	1,09,900	99.91%	-	1,09,900	1,09,900	99.91%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	-	1,10,000	1,10,000	100%	-	1,10,000	1,10,000	100%	-

Board's Report (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub -total (A(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	**1,10,000**	**1,10,000**	**100%**	-	**1,10,000**	**1,10,000**	**100%**	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)- Body Corporate	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual share- holders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual share- holders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non-Resident Indians	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs		-	-	-	-	-	-	-	
Sub-total (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	**1,10,000**	**1,10,000**	**100%**	-	**1,10,000**	**1,10,000**	**100%**	-

* Mr. Brijesh Kumar Agrawal is nominee of Indiamart Intermesh Limited.

B) Shareholding of Promoter:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Indiamart Intermesh Limited	1,09,900	99.91%	0%	1,09,900	99.91%	0%	-
2	Brijesh Kumar Agrawal (Nominee of Indiamart Intermesh Limited)	100	00.09%	0%	100	00.09%	0%	-
Total		**1,10,000**	**100%**	**0%**	**1,10,000**	**100%**	**0%**	**-**

C) Change in Promoters' Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the year (As on April 01, 2020)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	1,10,000	100%	-	-
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change	No Change	-	-
3	At the end of the year	1,10,000	100%	-	-

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

E) Shareholding of Directors and Key Managerial Personnel: NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to other directors: NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

On behalf of the Board
For **Tradezeal Online Private Limited**

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Independent Auditor's Report

To the Board of Directors of Tradezeal Online Private Limited

We have audited the accompanying standalone Ind AS financial statements of T**radezeal Online Private Limited** ("the Company"), which comprise the standalone Balance Sheet as at March 31,2021, and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

(a) in the case of the standalone Balance Sheet, of the state of affairs of the Company as at March 31,2021

(b) in the case of the standalone Statement of Profit and Loss including other comprehensive income, of the loss for the period ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date; and

(d) In the case of the Statement of Changes in Equity, of the changes in equity for the period ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER PARAGRAPH

We refer accounting policy to the Financial Statement of the Company, wherein financial impact of COVID- 19 on the operations of the company have been disclosed. Future operations of the Company will be subject to developments on COVID-19 front together with stability in the economy which are currently uncertain.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended at March 31,2021 These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial period ended at March 31,2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that :

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

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

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as o n March 31,2021 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order.

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRADEZEAL ONLINE PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Tradezeal Online Private Limited ("the Company") as of at March 31,2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRADEZEAL ONLINE PRIVATE LIMITED

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on Other Legal and Regulatory Requirements' section.

i. The Company has no Fixed Assets, hence clause 3(i)(a) to (c) of the order is not applicable to the company.

ii. In our opinion and according to the information and explanations given to us, the Company is not having any inventory. Accordingly clause 3(ii) of the Order is not applicable.

iii. (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly clauses 3(iii) (a) & (b) of the Order are not applicable.

(b) Since there are no such loans, the comments regarding repayment of the principal amount & interest due thereon and overdue amounts are not required.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. a. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable

b. There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute:

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and Company has not raised any term loans. Accordingly provisions of clause (ix) of the Order is not applicable on the Company.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion, and according to the information and explanations given to us, managerial remuneration has not been paid / provided. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company.

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence not commented upon.

xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

Balance Sheet
as at March 31, 2021

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

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Financial assets			
(i) Investments	4	-	-
(ii) Loan	4	-	-
Current assets		-	-
Financial assets			
(i) Cash and cash equivalents	5	19,515	37
(ii) Bank balances other than cash and cash equivalents	6	-	153
Other current assets	7	2	-
Total current assets		**19,517**	**190**
Total assets		**19,517**	**190**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	1,100	1,100
Other equity	10	(27,950)	(23,987)
Total equity		**(26,850)**	**(22,887)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	8	46,337	23,052
Total non-current liabilities		**46,337**	**23,052**
Current liabilities			
Financial liabilities			
(i) Trade payables	9		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		30	25
Total current liabilities		**30**	**25**
Total liabilities		**46,367**	**23,077**
Total equity and liabilities		**19,517**	**190**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: Ghaziabad
Date: April 28, 2021

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

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

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
INCOME:			
Revenue from operations	11	6	3
Total income		**6**	**3**
EXPENSE:			
Finance costs	12	3,647	3,137
Other expenses	13	685	120
Total expenses		**4,332**	**3,257**
Loss before tax		**(4,326)**	**(3,254)**
Income tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(4,326)**	**(3,254)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
		-	**-**
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive loss for the year		**(4,326)**	**(3,254)**
Earnings per equity share:	14		
Basic earnings per equity share (INR)		(39.33)	(29.58)
Diluted earnings per equity share (INR)		(39.33)	(29.58)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: Ghaziabad
Date: April 28, 2021

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Statement of Changes in Equity

for the year ended March 31, 2021

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

(A) EQUITY SHARE CAPITAL (REFER NOTE 10)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	**1,100**
Changes in equity share capital	-
As at 31 March 2020	**1,100**
Changes in equity share capital	-
As at 31 March 2021	**1,100**

(B) OTHER EQUITY (REFER NOTE 10)

Particulars	Other equity		Total other equity
	Equity portion of OCCRPS (refer note 8)	Reserves and surplus	
Balance as at 01 April 2019	**20**	**(20,753)**	**(20,733)**
Loss for the period	-	(3,254)	(3,254)
Other comprehensive loss	-	-	-
Total comprehensive income	**-**	**(3,254)**	**(3,254)**
Balance as at 31 March 2020	**20**	**(24,007)**	**(23,987)**
Loss for the year	**-**	**(4,326)**	**(4,326)**
Other comprehensive income	-	-	-
Equity contribution	363	-	363
Total comprehensive loss	**363**	**(4,326)**	**(3,963)**
Balance as at 31 March 2021	**382**	**(28,333)**	**(27,950)**

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: Ghaziabad
Date: April 28, 2021

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Standalone Statement of Cash Flows

for the year ended March 31, 2021

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
LOSS BEFORE TAX	(4,326)	(3,254)
Adjustments for:		
Balances written off (included in rates & taxes)	-	58
Finance costs	3,647	3,137
Interest income	(6)	(4)
Operating (loss) before working capital changes	**(685)**	**(63)**
MOVEMENT IN WORKING CAPITAL		
(Increase)/decrease in other assets	(2)	-
Increase/(Decrease) in trade and other payables	5	9
Cash generated from operations	**(682)**	**(54)**
Direct taxes paid (net of refunds)	-	-
Net cash generated/used in operating activities	**(682)**	**(54)**
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in fixed deposits with bank(having original maturity of more than three months)	160	(150)
Net cash used in investing activities	**160**	**(150)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Optionally Convertible Cumulative Redeemable Preference Shares	20,000	-
Net cash generated from financing activities	**20,000**	**-**
Net (decrease) / increase in cash and cash equivalents	**19,478**	**(204)**
Cash and cash equivalents at the beginning of the year	**37**	**241**
Cash and cash equivalents at the end of the year	**19,515**	**37**
Components of cash and cash equivalents		
Cash and cheques on hand	-	-
Balances with banks:		
- On current accounts	19,515	37
Total cash and cash equivalents (note 6)	**19,515**	**37**
Summary of significant accounting policies		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: Ghaziabad
Date: April 28, 2021

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Notes to the Financial Statements

for the year ended March 31, 2021

1. CORPORATE INFORMATION

Tradezeal Online Private Limited (Formerly known as Tradezeal International Private Limited) ("the Company") is a public company domiciled in India and was incorporated on May 31, 2005 under the provision of the Companies Act applicable in India. The Company is engaged in carrying out the business related to Investment and allied activities. The registered office of the Company is located at 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 28 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The preparation of these financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.2 Summary of significant accounting policies

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

a) Statement of Compliance

The financial statements for the year ended 31 March 2021 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act 2013 ("the Act") (as amended from time to time).

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

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

b) Current versus non-current classification

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

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

c) Fair value measurement

The Company measures financial instruments, such as Investment in optionally convertible cumulative redeemable preference shares (OCCRPS), Investment in mutual funds, at fair value at each balance sheet date.

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

(i) In the principal market for the asset or liability, or

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

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

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

Notes to the Financial Statements

for the year ended March 31, 2021

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

(ii) Level 2 — inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 — Unobservable inputs for the asset or liability reflecting Company's assumptions about pricing by market participants

For assets and liabilities that are recognised in the financial statements on fair value on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

- Disclosures for significant estimates and assumptions (Note 3)

- Disclosures for valuation methods and quantitative disclosure of fair value measurement hierarchy (Note 15)

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of government.

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

Income from Sale of Goods

Revenue comprises income from sale of goods and services after deduction of any price reductions, quantity discounts or cash discounts. Sale are recognised in the period in which the risk related to the goods and services passes to the customer or in which the services is rendered, and the amounts can be reliably measured and are expected to be received.

Other Income

Other income comprises income of a secondary nature which includes gains on the sale of non-current investments & interest income.

e) Taxes

Current Income tax

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

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

Deferred Tax

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

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the

Notes to the Financial Statements
for the year ended March 31, 2021

initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

Sales/ value added taxes/ Service tax/ Goods and service tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/ GST paid, except:

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

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

f) Provisions and contingent liabilities

Provisions

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

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

Contingent liabilities

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

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

g) Retirement and other employee benefits

Short-term obligations

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

h) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Notes to the Financial Statements

for the year ended March 31, 2021

Subsequent measurement

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

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instruments at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

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

Debt instrument at FVTPL

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

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

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include, share buyback obligation, trade payables, security deposits and other payables.

Subsequent measurement

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

Financial liabilities at fair value through Profit or Loss:

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

Notes to the Financial Statements

for the year ended March 31, 2021

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

Loans and borrowings

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

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

De-recognition

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

Offsetting of financial instruments

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

Convertible preference shares

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

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

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

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

i) Earnings per share

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

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

j) Cash and cash equivalents

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

k) Segment reporting

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company activities are considered to be a single business segment. The analysis of geographical segments is based on the areas in which customers are based.

Segment policies:

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

Notes to the Financial Statements
for the year ended March 31, 2021

l) Contributed equity

Equity shares are classified as equity.

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

m) Recently issued accounting pronouncements

On 24 March 2021, the Ministry of Corporate Affairs (MCA), notified amendments in Schedule III to the Companies Act, 2013 effective from 1 April 2021. Following are key amended provisions which may have impact on the presentation of standalone financial statement of the Company:

Balance sheet:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables and capital work-in-progress.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to undisclosed income, Corporate Social Responsibility (CSR) and crypto or virtual currency specified under the head 'additional information' in the notes to the financial statements.

The Company is currently evaluating the impact of these amendment on its financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

Estimates and assumptions

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

Taxes

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

The Company has not recognised deferred tax assets on the unused tax losses.

Impact of COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue and cost, impact on leases, impact on investment in subsidiaries and associates and investment in other entities. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

Notes to the Financial Statements

for the year ended March 31, 2021

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

4 NON CURRENT ASSETS

Investments in mutual funds- quoted (measured at FVTPL)

	As at March 31, 2021		As at March 31, 2020	
	No. of Units	Amount	No. of Units	Amount
Non Current Investment				
Trade investment valued at fair value unless stated otherwise				
Investment other than subsidiaries				
Equity shares held in Instant Procurement Services Private Limited in of ₹ 10 each*	5,500	-	-	-
0.001% Optionally Convertible redeemable Preference Shares of ₹ 10 each in Instant Procurement Services Private Limited	12,446	-	12,446	-
0.001% Compulsory Convertible Preference Shares of ₹ 10 each in Instant Procurement Services Private Limited	3,764	-	3,764	-
		-		-
Loans				
inter corporate Loans (Instant Procurement Services Private Limited)*		5,000		5,000
Less : Provision for diminution in the value of investment		(5,000)		(5,000)
		-		-

*The loan was converted into equity shares of the Company during the period ended March 31,2021

5 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Cash on hand	-	-
Balance with bank		
- On current accounts	19,515	37
Cash and cash equivalents as per statement of cash flows	**19,515**	**37**

Notes: (i) Cash and cash equivalents for the purpose of cash flow statement comprise cash and cash equivalents as shown above.

6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Deposits with		
-remaining maturity upto twelve months	-	153
Total	**-**	**153**

7 OTHER ASSETS

	As at March 31, 2021	As at March 31, 2020
Current (Unsecured, considered good unless otherwise stated)		
Prepaid expenses	2	-
Total	**2**	**-**

Notes to the Financial Statements
for the year ended March 31, 2021

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

8 BORROWINGS

	As at March 31, 2021	As at March 31, 2020
Measured at amortised cost		
Non-current		
Liability component of compound financial instrument		
Optionally convertible cumulative redeemable preference shares (unsecured)	46,337	23,052
Total non-current borrowings	**46,337**	**23,052**

Terms of conversion/ redemption of 0.01% Optionally convertible Cumulative redeemable preference share (OCCRPS)

With effect from 22 February 2019, the Company has converted its series Redeemable Preference Share and Optionally Convertible Redeemable Preference Shares into Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). And also changed terms of all OCCRPS to fix the tenure to 30 April, 2026 and amount of redemption of preference shares to ₹ 30 per share including ₹ 20 per share for premium on redemption at the option of the holder and in case of conversion shall be converted at a ratio of 1:1 with the equity shares.

During the year ended March 31,2021,the company issued and allotted 20,00,000 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹ 10/- each at par aggregating to ₹ 2,00,00,000/- to holding company. The OCCRPS be convertible/redeemable (in whole or in part) at the option of the holder on April 30, 2026 and amount of redemption of preference shares to ₹ 20 per share including ₹ 10 per share for premium on redemption at the option of the holder and in case of conversion shall be converted at a ratio of 1:1 with the equity shares.

	Optionally Convertible Cumulative Redeemable Preference Shares (Face value INR 10 per share)	
	Number of shares	Amount
Authorised Preference share capital		
As 01 April 2019	**2,500,000**	**25,000**
Increase/(Decrease) during the year	-	-
As 31 March 2020	**2,500,000**	**25,000**
Increase/(Decrease) during the year	7,000,000	70,000
At 31 March 2021	**9,500,000**	**95,000**
Issued preference share capital (subscribed and fully paid up)		
As 01 April 2019	**1,870,000**	**18,700**
Shares issued during the year	-	-
As 31 March 2020	**1,870,000**	**18,700**
Shares issued during the year	2,000,000	20,000
At 31 March 2021	**3,870,000**	**38,700**

		As at March 31, 2021		As at March 31, 2020	
		Number	Percentage	Number	Percentage
(a)	**Shares held by holding company**				
	Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
	Indiamart Intermesh Limited	3,870,000	100%	1,870,000	100%
(b)	**Details of shareholders holding more than 5% shares in the Company**				
	Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
	Indiamart Intermesh Limited	3,870,000	100%	1,870,000	100%

Notes to the Financial Statements

for the year ended March 31, 2021

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

9 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Current		
Dues to micro enterprises and small enterprises	-	-
Dues to other than MSMEDs		
- others	30	25
Total	**30**	**25**

10 SHARE CAPITAL

	Number of shares	Amount
Equity share capital		
Authorised share capital		
At 01 April 2019	**500,000**	**5,000**
Increase/(Decrease) during the year	-	
At 31 March 2020	**500,000**	**5,000**
Increase/(Decrease) during the year	-	-
At 31 March 2021	**500,000**	**5,000**
Issued equity share capital (subscribed and fully paid up)		
At 01 April 2019	**110,000**	**1,100**
Shares issued during the year	-	-
At 31 March 2020	**110,000**	**1,100**
Shares issued during the year	-	-
At 31 March 2021	**110,000**	**1,100**

a) Terms/ rights attached to equity shares:

1) The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity is entitled to one vote per share.

2) In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Shares held by holding company

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART InterMESH Limited)	110,000	100%	110,000	100%

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

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART InterMESH Limited)	110,000	100%	110,000	100%

Notes to the Financial Statements

for the year ended March 31, 2021

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

d) Other equity

	As at March 31, 2021	As at March 31, 2020
Retained earnings	(28,333)	(24,007)
Equity portion of OCCRPS (refer note 8)	382	20
Total other equity	**(27,950)**	**(23,987)**

11 OTHER INCOME

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Income		
- on fixed deposit with banks	6	3
Total	**6**	**3**

12 FINANCE COSTS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on Optionally cumulative convertible redeemable preference shares (OCCRPS)	3,647	3,137
Total	**3,647**	**3,137**

13 OTHER EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal and professional fees	12	13
Rates and taxes	645	82
Auditor's remuneration	24	24
Bank Charges	2	1
Subscription fee	2	-
Conveyance / Admin expenses*	0	-
Total	**685**	**120**

*Absolute Value of INR 349

	For the year ended 31 March 2021	For the year ended 31 March 2020
Payment to Auditors		
As auditor:		
- Audit fee	24	24
	24	**24**

14 EARNINGS PER SHARE

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

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

Notes to the Financial Statements
for the year ended March 31, 2021

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Basic		
Loss for the year	(4,326)	(3,254)
Weighted average number of equity shares in calculating basic EPS	110,000	110,000
Basic (loss) per share	**(39.33)**	**(29.58)**
Diluted		
Loss for the year	(4,326)	(3,254)
Interest expense on convertible preference shares	3,647	3,137
	(679)	**(117)**
Weighted average number of equity shares in calculating basic EPS	110,000	110,000
Potential equity shares in the form of convertible preference shares	3,870,000	1,870,000
Total no. of shares outstanding (inluding dilution)	**3,980,000**	**1,980,000**
Diluted earning (loss) per share	**(0.02)**	**(0.01)**

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

15 FINANCIAL INSTRUMENTS

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

	As at March 31, 2021	As at March 31, 2020
Financial assets		
a) Measured at Amortised cost		
- Cash and cash equivalents	19,515	37
Total financial assets	**19,515**	**37**
Financial liabilities		
b) Measured at Amortised cost		
- Borrowings	46,337	23,052
- Trade Payables	**30**	**25**
Total financial liabilities	**46,367**	**23,077**

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

i) The carrying value of cash and cash equivalents and trade payables measured at amortised cost approximate their fair value.

ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk

16 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital,Optionally convertible cumulative redeemable preference shares, and all other equity reserves attributable to the equity shareholder of the Company. The Company manages its capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company is neither subject to externally imposed capital requirements nor exposed to external borrowings. For the purpose of the capital management, the management considers the share buy back obligation pertaining to Optionally convertible cumulative redeemable preference shares as part of the Capital.

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Notes to the Financial Statements

for the year ended March 31, 2021

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

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and bank balances, employee loans, financial assets carried at amortised cost and trade receivables.

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

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

Cash and cash equivalents

The Company holds cash and cash equivalents of INR 19,515 as on 31st March 2021 (INR 37 as on 31 March 2020). The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. Bank balances are held with reputed and creditworthy banking institutions.

ii) Liquidity riskmanagement

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

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

Maturities of financial liabilities

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

Contractual maturities of financial liabilities

31 March 2021	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Trade payables	30	-	-	**30**
Borrowings	-	-	46,337	**46,337**

31 March 2020	Within 1 period	Within 1 period to 5 periods	More than 5 periods	Total
Trade payables	32	-	-	**32**
Borrowings	-	-	23,052	**23,052**

Notes to the Financial Statements

for the year ended March 31, 2021

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

18 RELATED PARTY DISCLOSURES

a) Names of related parties and related party relationship

Related parties where control exists irrespective of whether transactions have occurred or not

i) **Holding Company** Indiamart Intermesh Limited

ii) **Key Management Personnel (KMP)**

Mr. Sudhir Gupta, Director
Mr. Praveen Kumar Goel, Director
Mr. Manoj Bhargava , Director

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Issue of 0.01% Optionally convertible cumulative redeemable preference share (OCCRPS)		
IndiaMart InterMesh Ltd	2,000,000	-

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Holding Company		
Optionally convertible cumulative redeemable preference shares -liability component (also refer note 8)	46,337	23,052

Terms and conditions of transactions with related parties

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

19 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT 2006:

	For the year ended 31 March 2021	For the year ended 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at end of accounting year		
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
	-	-

20 GOING CONCERN

The parent company shall provide financial support to the Company, so as to meet its liabilities and commitments as and when the same is required.

21 Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current year.

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: Ghaziabad
Date: April 28, 2021

For and on behalf of the Board of Directors
Tradezeal Online Private Limited
CIN: U74110DL2005PTC136907

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Board's Report

Dear Members,

Your Directors have pleasure in presenting 5th Board's Report on the business and operations of the Company together with the Audited Financial Statement for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended March 31, 2021 is as follows:

(Amount in INR thousand)

Particulars	FY 2020-21	FY 2019-20
Revenue from Operations	27,696	28,288
Other Income	995	986
Total Income	**28,691**	**29,274**
Financial Cost	4,122	3,219
Other Expenses	23,685	28,608
Total Expenses	**27,808**	**31,827**
Loss before tax	883	(2,552)
Total Tax Expenses	111	5
Profit/(Loss)for the year	773	(2,557)
Total Comprehensive income/(loss) for the financial year	**773**	**(2,557)**
Earnings per Equity Share (₹) –Face value of ₹ 10/- each	7.73	(25.57)

REVIEW OF OPERATIONS

During the financial year under review, your Company has achieved total revenue from operations amounting to ₹ 27,696 Thousand as compared to ₹ 28,288 Thousand in the previous year. The Company has incurred Profit of ₹ 773 Thousand.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

SHARE CAPITAL

During the Financial Year, the Company issued and allotted 1,25,000 Optionally Convertible Cumulative Redeemable Preference Shares of face value ₹ 10/- each to Indiamart Intermesh Limited on Rights basis.

DIVIDEND

Considering the financial position of the Company, the Directors do not recommend any dividend for the year under review.

TRANSFER TO RESERVES

Net profit after tax of ₹ 773 Thousand is carried forward to the Retained Earnings. The Company has not transferred any funds to General Reserve during the current financial year.

PUBLIC DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There is no transaction of Loan, Guarantee and Investment covered under Section 186 of the Companies Act, 2013.

PARTICULARIES OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as 'Annexure-1' to this Report.

PARTICULARS OF EMPLOYEES

No employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no changes in the Directorship of the Company.

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

Goel (DIN: 03604600), who was liable to retire by rotation and being eligible and had offered himself for re-appointment, was re-appointed at the 4th Annual General Meeting of the Company, held on August 28, 2020.

Further, Mr. Shrawan Kumar Sharma (DIN: 07043379), who is liable to retire by rotation at the ensuing AGM and being eligible may offer himself for re-appointment in accordance with provisions of the Act.

MEETING OF BOARD OF DIRECTORS

The Board met four (4) times during the financial year on May 11, 2020, July 20, 2020, November 07, 2020 and January 16, 2021. The intervening gap between any two meetings was within the limits prescribed by the Act read with Secretarial Standard-1.

The Details regarding Attendance of Directors of the Company in the above-mentioned Board Meetings are as follows:

Sl. No.	Name	Designation	No. of Board Meetings held during the tenure	No. of Meeting Attended during the financial year ended March 31, 2021
1	Mr. Shrawan Kumar Sharma	Director	4	4
2	Mr. Praveen Kumar Goel	Director	4	4
3	Mr. Amit Jain	Director	4	2

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134 (3)(c) and 134 (5) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

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

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

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

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

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

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

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

COMMITTEES OF THE BOARD

Since the provisions of Section 177 & 178 of the Companies Act, 2013 read with rules made thereunder are not applicable to the Company, no committee of Board is constituted in terms thereof.

AUDITOR'S

Statutory Auditor

M/s Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 1st Annual General Meeting till the conclusion of 6th Annual General Meeting (AGM) of the Company.

The Auditors Report on financial statements are self-explanatory and therefore do not call for any further explanations or comments.

Internal Auditor

During the year under review, the Company was not required to appoint Internal Auditor as per Section 138 of the Companies Act, 2013.

Secretarial Auditor

During the year under review, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Companies Act, 2013.

ANNUAL RETURN

Pursuant to Sub-Section 3(a) of Section 134 and Sub-Section (3) of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return as on March 31, 2021 forms part of this report as 'Annexure –2'.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) was not applicable to the Company, during the year under review.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards as specified by the Institute of Company Secretaries of India ("ICSI").

Board's Report (contd.)

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

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

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

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

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

Details	Financial Year 2020-21	Financial Year 2019-20
Inflows	Nil	Nil
Outflows	Nil	64,385

ACKNOWLEDGEMENT

The Board of Directors of the Company take on record their sincere appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the success of your Company. Last but not the least, your Directors are also thankful for consistent co-operation and assistance received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

On behalf of the Board
For **Pay With Indiamart Private Limited**

Praveen Kumar Goel
Director
DIN: 03604600

Amit Jain
Director
DIN: 03618294

Place: Delhi
Date: April 28, 2021

ANNEXURE- 1

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	PARTICULARS	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

2. The details of Material contracts or arrangement or transaction at arm's length basis for the year ended March 31, 2021 are as follows: -

(a) Name of the related party and nature of relationship –

i) Indiamart Intermesh Limited - Holding Company

(b) Nature of contract/arrangement/transaction–

i) Indiamart Intermesh Limited (IndiaMART) – The Company has entered into "Memorandum of Understanding (MOU) for Services" dated May 05, 2017. As per MOU, the Company allow to put a tag/link on selected products and/or service available on its platform through which the user(s) of IndiaMART will be able to undertake secured online payment transactions, the Company is pay 0.25% of Transaction amount to IndiaMART.

Both the companies entered into fresh agreement on February 01, 2019, with the following major modifications to the existing arrangement:

- Sharing of surplus earned, if any, by PWIM on each transaction executed by the User(s) of IndiaMART, using the payment facility of PWIM, in the ratio of 50:50. In case the services are being offered by PWIM to the users of IM under any of the promotional scheme(s) of IndiaMART at special rates, below cost or without charges, then IndiaMART shall reimburse the shortfall, if any, in the transaction cost borne by PWIM.
- Since, IndiaMART would be referring its User(s) to PWIM, it agrees to provide indemnity to PWIM against any losses, liabilities, damages, claims, costs and expenses, etc. which it may suffer in relation to the transaction of the User(s) of IndiaMART except in case of any negligence, omission, commission, misconduct, etc. attributable to PWIM.

(c) Duration of the contract / arrangement/transaction –

i) Indiamart Intermesh Limited - From the date of execution the agreement unless terminated in accordance with the provisions stated in the agreement.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

i) Indiamart Intermesh Limited (IndiaMART) – Sharing of surplus earned, if any, by PWIM on each transaction executed by the User(s) of IndiaMART, using the payment facility of PWIM, in the ratio of 50:50. In case the services are being offered by PWIM to the users of IM under any of the promotional scheme(s) of IndiaMART at special rates, below cost or without charges, then IndiaMART shall reimburse the shortfall, if any, in the transaction cost borne by PWIM.

(e) Date(s) of approval by the Board, if any:

i) Indiamart Intermesh Limited - January 30, 2019

(f) Amount paid as advances:

During the Financial year, no advance payments were made to any of the aforementioned related parties.

On behalf of the Board
For **Pay With Indiamart Private Limited**

Praveen Kumar Goel
Director
DIN: 03604600

Amit Jain
Director
DIN: 03618294

Place: Delhi
Date: April 28, 2021

ANNEXURE- 2

EXTRACT OF ANNUAL RETURN
FORM NO. MGT – 9

For the financial year ended March 31, 2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	**CIN**	U74999DL2017PTC312424
2	**Registration Date**	February 07, 2017
3	**Name of the Company**	Pay With Indiamart Private Limited
4	**Category/Sub-Category of the Company**	Public Company
5	**Address of the Registered office and contact details**	Pay With Indiamart Private Limited, 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002 Contact No. 011- 49995600 Email- compliance@paywithindiamart.com
6	**Whether listed Company**	No
7	**Name, Address and Contact details of Registrar and Transfer Agent, if, any**	Kfin Technologies Private Limited Address: Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serlingampally, Hyderabad - 500032 Contact No.: 1800 309 4001 E-mail: reachus@kfintech.com Website: https://www.kfintech.com/

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Information Services Activity	6619	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of Company	CIN	Holding/ Subsidiary / Associate	% of shares Held	Applicable Section
1	Indiamart Intermesh Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002	L74899DL1999PLC101534	Holding	100%	2 (46) & (87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding.

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF/Nominee of Body Corporate	-	1*	1	0.01%	-	1*	1	0.01%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	99,999	99,999	99.99%	-	99,999	99,999	99.99%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	1,00,000	1,00,000	100%	-	1,00,000	1,00,000	100%	-

Board's Report (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub -total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**1,00,000**	**1,00,000**	**100%**	**-**	**1,00,000**	**1,00,000**	**100%**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)- Body Corporate	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual share- holders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual share- holders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non-Resident Indians	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs									
Sub-total (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**1,00,000**	**1,00,000**	**100%**	**-**	**1,00,000**	**1,00,000**	**100%**	**-**

* Mr. Shrawan Kumar Sharma is nominee of Indiamart Intermesh Limited.

B. Shareholding of Promoter:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 01, 2020)			Shareholding at the end of the year (As on March 31, 2021)			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Indiamart Intermesh Limited	99,999	99.99%	0%	99,999	99.99%	0%	-
2	Shrawan Kumar Sharma (Nominee of Indiamart Intermesh Limited)	1	00.01%	0%	1	0.01%	0%	-
Total		**1,00,000**	**100%**	**0%**	**1,00,000**	**100%**	**0%**	**-**

C. Change in Promoters' Shareholding

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year April 01, 2021		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	1,00,000	100%	1,00,000	100%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
3	At the end of the year	1,00,000	100%	1,00,000	100%

D. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

E. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year April 1, 2020		Increase/ Decrease in Shareholding				Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the Company	Date	Reason	No. of shares	% of total shares of the company
1	Mr. Shrawan Kumar Sharma (Nominee of Indiamart Intermesh Limited)	1	0.01%	-	-	-	-	1	0.01%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager: NIL

B. Remuneration to other Directors: NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

On behalf of the Board
For **Pay With Indiamart Private Limited**

Praveen Kumar Goel
Director
DIN: 03604600

Amit Jain
Director
DIN: 03618294

Place: Delhi
Date: April 28, 2021

Independent Auditor's Report

To the Board of Directors of Pay with Indiamart Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of Pay With Indiamart Private Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31,2021 and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

(a) in the case of the standalone Balance Sheet, of the state of affairs of the Company as at March 31,2021.

(b) in the case of the standalone Statement of Profit and Loss including other comprehensive income, of the profit for the period ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date; and

(d) In the case of the Statement of Changes in Equity, of the changes in equity for the period ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER PARAGRAPH

We refer accounting policy to the Financial Statement of the Company, wherein financial impact of COVID- 19 on the operations of the company have been disclosed. Future operations of the Company will be subject to developments on COVID-19 front together with stability in the economy which are currently uncertain.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period endedat March 31,2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 2.2(d) and Note 14 of the standalone Ind AS financial statements)	
Total turnover for the period ended at March 31,2021 amounted to ₹27,696 thousands. The Company generates revenue primarily from web services and follows a prepaid model for its business. Revenue from web services are recognized based on output method i.e. pro-rata over the period of the contract as and when the company satisfies performance obligations by transferring the promised services to its customers. The service are delivered using IT system which manages very high volume on daily basis and generates reports from which Company recognizes revenue, and hence there is inherent risk around the completeness and accuracy of the revenue recognition. Given the involvement of high volume, IT systems and inherent risk involved as described above, we determined the revenue recognition as key audit matter of the audit.	Our audit procedures included the following: • We read the Company's revenue recognition accounting policies and assessed compliance of policies with applicable financial reporting standards. • We obtained an understanding of the revenue recognition process and tested controls around revenue recognition. • We involved IT specialist, to obtain an understanding, evaluate the design, and test the operating effectiveness of the IT controls related to the revenue recognition process. • We tested the IT general controls (including access controls, change management control and other IT general controls.), the relevant application controls and tested the reports generated by the system.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 2.2(d) and Note 14 of the standalone Ind AS financial statements)	
The Company's disclosures are included in Note 2.2(d) and Note 14 to the financial statement, which outlines the accounting policy for revenue and details of revenue recognized.	• We selected a sample of transactions and performed tests of details including reading the contract, identifying performance obligation etc., and assessed whether the criteria for revenue recognition is met. • We also obtained and tested overall reconciliation of revenue and collection as generated from IT systems with accounting system.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial period ended at March 31,2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that :

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order.

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAY WITH INDIAMART PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting Pay With Indiamart Private Limited ("the Company") as of at March 31,2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAY WITH INDIAMART PRIVATE LIMITED

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on Other Legal and Regulatory Requirements' section.

i. The Company has no Fixed Assets, hence clause 3(i)(a) to (c) of the order is not applicable to the company.

ii. In our opinion and according to the information and explanations given to us, the Company is not having any inventory. Accordingly clause 3(ii) of the Order is not applicable.

iii. (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly clauses 3(iii) (a) & (b) of the Order are not applicable.

(b) Since there are no such loans, the comments regarding repayment of the principal amount & interest due thereon and overdue amounts are not required.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. a. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable

b. There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute:

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and Company has not raised any term loans. Accordingly provisions of clause (ix) of the Order is not applicable on the Company.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion, and according to the information and explanations given to us, managerial remuneration has not been paid / provided. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company.

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence not commented upon.

xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

Balance Sheet

as at March 31, 2021

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

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Current assets			
Financial assets			
(i) Investments	4	12,979	16,984
(ii) Cash and cash equivalents	5	22,615	8,552
(iii) Bank balance other than (ii) above		3,535	3,070
(iv) Others financial assets	6	6,735	3,827
Other current assets	7	2,123	3,112
Current tax assets	13	11	25
Total current assets		**47,998**	**35,570**
Total assets		**47,998**	**35,570**
Equity and liabilities			
Equity	8		
Equity share capital		1,000	1,000
Other equity		7,687	5,805
Total equity		**8,687**	**6,805**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	9	33,866	28,353
Total non-current liabilities		**33,866**	**28,353**
Current liabilities			
Financial liabilities			
(i) Trade payables	10		
(a) total outstanding dues of micro enterprises and small enterprises		5	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		146	54
(ii) Other financial liabilities	11	5,255	310
Other current liabilities	12	39	48
Total current liabilities		**5,445**	**412**
Total liabilities		**39,311**	**28,765**
Total equity and liabilities		**47,998**	**35,570**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date:

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Delhi
Date:

Statement of Profit and Loss

for the year ended March 31, 2021

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

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
INCOME:			
Revenue from operations	14	27,696	28,288
Other income	15	995	986
Total income		**28,691**	**29,274**
EXPENSES:			
Finance costs	16	4,122	3,219
Other expenses	17	23,685	28,608
Total expenses		**27,807**	**31,827**
Profit/(loss) before tax		**884**	**(2,552)**
Income tax expense			
Current tax	20	111	5
Total tax expense		**111**	**5**
Profit/(loss) for the year		**773**	**(2,557)**
Other comprehensive income (OCI)			
Items that pill not be reclassified to profit or loss in subsequent years			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive Profit/(loss) for the year		**773**	**(2,557)**
Earnings per equity share:	18		
Basic Profit/(loss) per equity share		7.73	(25.57)
Diluted Profit/(loss) per equity share		1.73	(25.57)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date:

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Delhi
Date:

Statement of Changes in Equity

for the year ended March 31, 2021

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

(A) EQUITY SHARE CAPITAL (REFER NOTE 9)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	**1,000**
Changes in equity share capital during the year	-
As at 31 March 2020	**1,000**
As at 1 April 2020	**1,000**
Changes in equity share capital during the year	-
As at 31 March 2021	**1,000**

(B) OTHER EQUITY (REFER NOTE 9)

Particulars	Equity portion of OCCRPS (refer note 10)	Reserve and Surplus Retained Earning	Total other equity
Balance as at 1 April 2019	**23,070**	**(19,738)**	**3,332**
Loss for the year	-	(2,557)	(2,557)
Equity contribution	5,030	-	5,030
Total comprehensive income	**5,030**	**(2,557)**	**2,473**
Balance as at 31 March 2020	**28,100**	**(22,295)**	**5,805**
Balance as at 1 April 2020	**28,100**	**(22,295)**	**5,805**
Profit for the year	-	773	773
Equity contribution	1,109	-	1,109
Total comprehensive income	**1,109**	**773**	**1,882**
Balance as at 31 March 2021	**29,209**	**(21,522)**	**7,687**

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date:

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Delhi
Date:

Standalone Statement of Cash Flows

for the year ended March 31, 2021

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
PROFIT/(LOSS) BEFORE TAX	884	(2,552)
Adjustments for:		
Interest expense	4,122	3,219
Fair value gain on financial assets measured at fair value through profit and loss	(994)	(984)
Operating Profit/(loss) before working capital changes	**4,012**	**(318)**
MOVEMENT IN WORKING CAPITAL		
(Increase)/Decrease in other financial assets	(2,907)	1,670
(Increase)/Decrease in other current assets	988	(56)
Increase/(Decrease) in other liabilities	(9)	(17)
Increase/(Decrease) in other financial liabilities	4,945	(2,724)
Increase/(Decrease) in trade and other payables	97	(403)
Cash generated/(used) from operations	**7,126**	**(1,847)**
Direct taxes paid/ (refund)	(98)	9
Net cash generated/(used) in operating activities	**7,028**	**(1,838)**
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in mutual funds	-	(22,000)
Redemption of mutual funds	5,000	6,000
Net cash generated/(used) in investing activities	**5,000**	**(16,000)**
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of preference share capital	2,500	10,000
Net cash generated from financing activities	2,500	10,000
Net (decrease) / increase in cash and cash equivalents	14,528	(7,838)
Cash and cash equivalents at the beginning of the year	**11,622**	**19,460**
Cash and cash equivalents at the end of the year	**26,150**	**11,622**
Components of cash and cash equivalents		
Balances with banks:		
- On current/ nodal accounts	26,150	11,622
Total cash and cash equivalents (note 5)	**26,150**	**11,622**

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date:

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Delhi
Date:

Notes to the Financial Statements

for the year ended March 31, 2021

1. CORPORATE INFORMATION

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

The financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 28 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The preparation of these financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.2 Summary of significant accounting policies

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

a) Statement of Compliance

The financial statements for the year ended 31 March 2021 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act 2013 ("the Act") (as amended from time to time).

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

b) Current versus non-current classification

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

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

c) Fair value measurement

The Company measures financial instruments, such as Investment in optionally convertible cumulative redeemable preference shares (OCCRPS), Investment in mutual funds at fair value at each balance sheet date.

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

(i) In the principal market for the asset or liability, or

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and

Notes to the Financial Statements

for the year ended March 31, 2021

best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

(ii) Level 2 — inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 — Unobservable inputs for the asset or liability reflecting Company's assumptions about pricing by market participants

For assets and liabilities that are recognised in the financial statements on fair value on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

- Disclosures for significant estimates and assumptions (Note 3)
- Disclosures for valuation methods and quantitative disclosure of fair value measurement hierarchy (Note 21).

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of government.

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

Income from Services

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

e) Taxes

Current Income tax

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

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

Deferred Tax

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

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

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

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

Notes to the Financial Statements
for the year ended March 31, 2021

to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

Sales/ value added taxes/ Service tax/ Goods and service tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/ GST paid, except:

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

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

f) Provisions and contingent liabilities

Provisions

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

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

Contingent liabilities

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

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

g) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Notes to the Financial Statements

for the year ended March 31, 2021

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

Debt instruments at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

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

Debt instrument at FVTPL

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent

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for the year ended March 31, 2021

period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include, share buyback obligation, trade payables, security deposits and other payables.

Subsequent measurement

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

Financial liabilities at fair value through Profit or Loss:

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

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

Loans and borrowings

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

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

Notes to the Financial Statements
for the year ended March 31, 2021

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

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

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

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

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

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

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

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

i) Cash and cash equivalents
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

j) Recently issued accounting pronouncements
On 24 March 2021, the Ministry of Corporate Affairs (MCA), notified amendments in Schedule III to the Companies Act, 2013 effective from 1 April 2021. Following are key amended provisions which may have impact on the presentation of standalone financial statement of the Company:

Balance sheet:
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables and capital work-in-progress.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:
- Additional disclosures relating to undisclosed income, Corporate Social Responsibility (CSR) and crypto or virtual currency specified under the head 'additional information' in the notes to the financial statements.

The Company is currently evaluating the impact of these amendment on its financial statements.

Notes to the Financial Statements

for the year ended March 31, 2021

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

Estimates and assumptions

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

Taxes

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

The Company has not recognised deferred tax assets on the unused tax losses.

IND AS 116 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

A contract is lease contract that conveys the right to control the use of an identified asset if, throughout the period of use, the Company has the right to: (1) obtain substantially all of the economic benefits from the use of the identified asset and (2) direct the use of the identified asset (i.e., direct how and for what purpose the asset is used).

Therefore, the assets on which the Company did not have a substantive right/practical ability to substitute the allocated space that shall not be considered as a lease contract.

Impact of COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue and cost, impact on leases, impact on investment in subsidiaries and associates and investment in other entities. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

Notes to the Financial Statements
for the year ended March 31, 2021

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

4 CURRENT INVESTMENTS

Investments in mutual funds- quoted (measured at FVTPL)

	As at March 31, 2021		As at March 31, 2020	
	No. of Units	Amount	No. of Units	Amount
ICICI Prudential Saving Fund-Direct Plan Growth	30,924	12,979	43,508	16,984
Total	**30,924**	**12,979**	**43,508**	**16,984**

5 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Balance with bank		
- On current accounts	22,615	8,552
- On nodal accounts	3,535	3,070
Total Cash and cash equivalents	**26,150**	**11,622**

6 OTHER FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
Current (unsecured, considered good unless stated otherwise)		
Amount recoverable from payment gateway banks (net of provision)	6,632	3,827
Receivable from related party	103	-
Total	**6,735**	**3,827**

These financial assets are measured at amortised cost.

7 OTHER CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
Current (Unsecured, considered good unless otherwise stated)		
Balances with government authorities	2,121	3,112
Prepaid expenses	2	-
Total	**2,123**	**3,112**

8 SHARE CAPITAL

	Number of shares	Amount
Equity share capital		
Authorised share capital		
Balance as at 1 April 2019	**250,000**	**2,500**
Increase/(Decrease) during the year	-	-
At 31 March 2020	**250,000**	**2,500**
Balance as at 1 April 2020	**250,000**	**2,500**
Increase/(Decrease) during the year	-	-
At 31 March 2021	**250,000**	**2,500**

Notes to the Financial Statements
for the year ended March 31, 2021

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

	Number of shares	Amount
Issued equity share capital (subscribed and fully paid up)		
Balance as at 1 April 2019	**100,000**	**1,000**
Shares issued during the year	-	-
At 31 March 2020	**100,000**	**1,000**
Balance as at 1 April 2020	**100,000**	**1,000**
Shares issued during the year	-	-
At 31 March 2021	**100,000**	**1,000**

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

1) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity is entitled to one vote per share.

2) In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) **Shares held by holding company**

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (including nominee shares held on behalf of IndiaMART InterMESH Limited)	100,000	100%	100,000	100%

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

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (including nominee shares held on behalf of IndiaMART InterMESH Limited)	100,000	100%	100,000	100%

d) **Other equity**

	As at March 31, 2021	As at March 31, 2020
Equity portion of optionally convertible cumulative redeemable preference shares (refer note 10)	29,209	28,100
Retained earnings	(21,522)	(22,295)
Total other equity	**7,687**	**5,805**

9 BORROWINGS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Liability component of compound financial instrument		
Optionally convertible cumulative redeemable preference shares (unsecured)	33,866	28,353
Total	**33,866**	**28,353**

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

The Company has issued only one class of preference shares i.e 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). The OCCRPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up; the OCCRPS shall be participating in the surplus funds; the OCCRPS shall be

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participating in surplus assets and profits, on winding- up which may remain after the entire capital has been repaid; the OCCRPS will be entitled to dividend, if declared by the Board of Directors, on cumulative basis.With effect from 22 February 2019, the Company has changed its terms of OCCRPS to fix the tenure till 31 January 2028 and amount of redemption of preference shares to ₹ 30 per share including ₹ 20 per share for premium on redemption. The OCCRPS holders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Companies Act 2013. The OCCRPS will be optionally convertible into equity share of the Company at 1:1 ratio at the option of the holder at the expiry of terms on 31 January 2028 at ₹ 30 per share including ₹ 20 per shar for premium on redemption. Consequent to the change in redemption terms with effect from 22 February 2019 the nature is changed from fair value through P&L to measurement through amortise cost . During the year the company has issued OCCRPS in the same terms as referred above.

	Number of shares	Amount
Authorised equity share capital		
At 31 March 2019	**4,850,000**	**48,500**
Increase/(Decrease) during the year	-	-
At 31 March 2020	**4,850,000**	**48,500**
At 31 March 2020	**4,850,000**	**48,500**
Increase/(Decrease) during the year	-	-
At 31 March 2021	**4,850,000**	**48,500**
Issued preference share capital (subscribed and fully paid up)		
At 31 March 2019	**2,150,000**	**21,500**
Shares issued during the year	500,000	5,000
At 31 March 2020	**2,650,000**	**26,500**
At 31 March 2020	**2,650,000**	**26,500**
Shares issued during the year	125,000	1,250
At 31 March 2021	**2,775,000**	**27,750**

		As at March 31, 2021		As at March 31, 2020	
		Number	Percentage	Number	Percentage
a)	**Shares held by holding company**				
	Optionally Convertible Cumulative Redeemable Prefrence shares of ₹ 10 each fully paid				
	Indiamart Intermesh Limited	2,775,000	100%	2,650,000	100%
(b)	**Details of shareholders holding more than 5% shares in the Company**				
	Optionally Convertible Cumulative Redeemable Prefrence shares of ₹ 10 each fully paid				
	Indiamart Intermesh Limited	2,775,000	100%	2,650,000	100%

10 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 24)		-
Dues to other than MSMEDs		
- Relaty party (refer note 19)	-	-
- others	151	54
Total	**151**	**54**

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for the year ended March 31, 2021

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

11 OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Other advances	5,255	310
Total	**5,255**	**310**

12 OTHER CURRENT LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Tax deducted at source payable	39	48
Total	**39**	**48**

13 CURRENT TAX ASSETS AND LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Current tax assets (net of provisions)		
Advance income tax	11	25
Total	**11**	**25**

14 REVENUE FROM OPERATIONS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of services		
Income from Services	27,696	28,288
Total	**27,696**	**28,288**

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

15 OTHER INCOME

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income		
- others	1	2
Fair value gain on financial assets measured at FVTPL		
-Investment in mutual funds	994	984
Total	**995**	**986**

16 FINANCE COSTS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on financial liability measured at amortised cost	4,122	3,219
Total	**4,122**	**3,219**

Notes to the Financial Statements
for the year ended March 31, 2021

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17 OTHER EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Customer Support Expenses	-	2,101
Legal and professional fees	497	880
Referral fees	4,533	3,937
Rates and taxes	6	45
Auditor's remuneration	60	60
Collection charges	18,595	21,231
Allowances/(Reversal) for doubtful debts (including bad debts)	(6)	353
Total	**23,685**	**28,607**

18 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit/(loss) for the year	773	(2,555)
Interest expense on convertible preference shares	4,122	3,219
Adjusted Profit/(loss) for the year	**4,895**	**664**
Weighted average number of equity shares in calculating basic EPS	100,000	100,000
Potential equity shares in the form of convertible preference shares	2,737,329	2,429,372
Total no. of shares outstanding (including dilution)	**2,837,329**	**2,529,372**
Basic Profit/(loss) per equity share	7.73	(25.55)
Diluted Profit/(loss) per equity share	1.73	(25.55)

19 RELATED PARTY DISCLOSURES

a) Names of related parties and related party relationship

a) **Holding Company** Indiamart Intermesh Limited

b) **Key Management Personnel (KMP)**

Shrawan Kumar Sharma , Director

Praveen Kumar Goel, Director

Amit Jain, Director

Notes to the Financial Statements

for the year ended March 31, 2021

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b) Related party transactions :

i) The following table provides the total amount of transactions that have been entered into with the related parties during the year :

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Holding Company		
Issue of preference Share (incl. premium)	2,500	10,000
Holding Company		
Reimbursement towards indemnifying cases	1,757	125
Holding Company		
Income from web services	1,595	1,479
Referral fees paid	4,533	3,937

ii) The following table provides the Balance outstanding with the related parties :

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Holding Company		
Amount Recoverable	103	-

Terms and conditions of transactions with related parties

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

20 INCOME TAX

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Income tax expense recognised in Statement of profit and loss		
Current income tax		
Current income tax for the year*	111	5
Total income tax expense	**111**	**5**

* the current tax for the year represents capital gain tax on sale of Mutual Funds which cannot be set off with brought forward business losses

a) Reconciliation of tax expense and the accounting loss multiplied by statutory income tax rate.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit/(Loss) before tax	884	(2,550)
Accounting loss before income tax	884	(2,550)
Tax expense at statutory income tax rate of 25.17% (March 31, 2020: 25.17%)	223	(642)
Fair value gain on financial assets measured at FVTPL (unrealized)	(139)	(244)
Non-deductible expenses for tax purposes:		
Interest expense on OCCRPS	1,038	810
Brought forward business losses used on which no deferred tax was recognised	(1,010)	80
Tax expense at the effective income tax rate of 25.17% (March 31, 2020: 25.17%)	**111**	**5**

The Company has current tax liability of INR 500K under the head "Income from Business & Profession" which have not resulted impact in statement of Profit & Loss since the Company has un-absorbed tax business losses on which no Deferred tax asset been reconcignized (Refer note (c) below. The same is now used to set-off with this Current tax liability

Notes to the Financial Statements

for the year ended March 31, 2021

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

(c) Detail of temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the balance sheet:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:		
- Tax business losses	15,400	19,440
	15,400	**19,440**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

21 FINANCIAL INSTRUMENTS

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

	Level	As at March 31, 2021	As at March 31, 2020
Financial assets			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds	Level 1	12,979	16,984
		12,979	**16,984**
b) Measured at Amortised cost			
- Cash and cash equivalents		26,150	11,622
- Others financial assets		6,735	3,827
		32,885	**15,449**
Total financial assets		**45,864**	**32,434**
Financial liabilities			
Measured at amortised cost			
- Borrowings		33,866	28,353
- Trade payables		151	54
- Other financial liabilities		5,255	310
		39,272	28,717
Total financial liabilities		**39,272**	**28,717**

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

i) The carrying value of financial assets and liabilities measured at amortised cost approximate their fair value.

ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk.

22 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company is neither subject to externally imposed capital requirements nor exposed to external borrowings. For the purpose of the capital management, the management considers the borrowings pertaining to OCCRPS as part of the Capital.

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Notes to the Financial Statements
for the year ended March 31, 2021

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

23 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT 2006:

Particulars	As at 31 March 2021	As at 31 March 2021
Outstanding dues to micro enterprises and small enterprises	-	-
	-	-

24 Figures for the previous years have been regrouped/reclassified to conform to the classification of the current year.

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

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date:

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

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Delhi
Date:

Board's Report

Dear Members,

Your Directors have pleasure in presenting 13th Board's Report on the business and operations of the Company together with the audited Financial Statement for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended March 31, 2021 is as follows:

(Amount in INR thousand)

Particulars	FY 2020-21	FY 2019-20
Revenue from Operations	-	-
Other Income	3	1
Total Income	**3**	**1**
Other Expenses	42	42
Total Expenses	**42**	**42**
Loss before tax	(39)	(41)
Total Tax Expenses	-	-
Profit/(Loss) for the year	(39)	(41)
Other Comprehensive loss for the financial year	-	-
Total Comprehensive income/(loss) for the financial year	**(39)**	**(41)**
Earnings per Equity Share (INR) –Face value of ₹ 10/- each	(1.29)	(1.37)

REVIEW OF OPERATIONS

No Business activities carried out by the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

SHARE CAPITAL

During the year under review, the Company had not issued any Equity Shares.

DIVIDEND

Considering the financial position of the Company, the Directors do not recommend any dividend for the year under review.

TRANSFER TO RESERVES

Due to absence of profits, during the year under review, no amount is proposed to be transferred to the Reserves.

PUBLIC DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There is no transaction of Loan, Guarantee and Investment covered under Section 186 of the Act.

PARTICULARS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any related party transactions referred to in Section 188(1) of the Act.

PARTICULARS OF EMPLOYEES

No employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no changes in the directorship of the Company.

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM). Consequently, Mr. Praveen Kumar Goel (DIN: 03604600), who was liable to retire by rotation and being eligible and had offered himself for re-appointment, was re-appointed at the 12th Annual General Meeting of the Company, held on August 28, 2020.

Further, Mr. Sudhir Gupta (DIN: 08267484), who is liable to retire by rotation at the ensuing AGM and being eligible may offer himself for re-appointment in accordance with provisions of the Act.

MEETING OF BOARD OF DIRECTORS

The Board met four (4) times during the financial year on May 11, 2020, July 20, 2020, November 07, 2020 and January 16, 2021. The intervening gap between any two (2) meetings was within the limits prescribed by the Act read with Secretarial Standard-1.

The details regarding attendance of Directors of the Company in the above Board Meetings are as follows:

Sl. No.	Name	Designation	No. of Meetings held during the tenure	No. of Meeting attended during the financial year ended March 31, 2021
1	Mr. Praveen Kumar Goel	Director	4	2
2	Mr. Manoj Bhargava	Director	4	4
3	Mr. Sudhir Gupta	Director	4	4

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134 (3)(c) and 134 (5) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

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

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

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

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

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

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT & REMUNERATION

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

COMMITTEES OF THE BOARD

Since the provisions of Section 177 & 178 of the Companies Act, 2013 read with rules made thereunder are not applicable to the Company, no committee of Board is constituted in terms thereof.

AUDITORS

Statutory Auditor

M/s. Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 12th Annual General Meeting till the conclusion of 17th Annual General Meeting of the Company.

The Auditors Report on financial statements are self-explanatory and therefore do not call for any further explanations or comments.

Internal Auditor

During the year under review, the Company was not required to appoint Internal Auditor as per Section 138 of the Companies Act, 2013.

Secretarial Auditor

During the year under review, the Company was not required to appoint Secretarial Auditor as per Section 204 of the Companies Act, 2013.

ANNUAL RETURN

Pursuant to Sub-Section 3(a) of Section 134 and Sub-Section (3) of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return as on March 31, 2021 forms part of this report as 'Annexure –1'.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) was not applicable to the Company, during the year under review.

COMPLIANCE OF THE SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards as specified by the Institute of Company Secretaries of India ("ICSI").

Board's Report (contd.)

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

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

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

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

ACKNOWLEDGEMENT

The Board of Directors of the Company take on record their sincere appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the success of your Company. Last but not the least, your Directors are also thankful for consistent co-operation and assistance received from its investors, business associates, customers, vendors, bankers, regulatory and government authorities.

On behalf of the Board
For **Hello Trade Online Private Limited**

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

ANNEXURE- 1

EXTRACT OF ANNUAL RETURN

FORM NO. MGT – 9

For the financial year ended March 31, 2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	**CIN**	U51909DL2008PTC180430
2	**Registration Date**	July 03, 2008
3	**Name of the Company**	Hello Trade Online Private Limited
4	**Category/Sub-Category of the Company**	Public Company
5	**Address of the Registered office and contact details**	HELLO TRADE ONLINE PRIVATE LIMITED, 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002. Contact No. 011- 49995600 Email Id– cs@indiamart.com
6	**Whether listed Company**	No
7	**Name, Address and Contact details of Registrar and Transfer Agent, if, any**	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
		Nil	

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of Company	CIN	Holding/ Subsidiary / Associate	% of shares Held	Applicable Section
1	Indiamart Intermesh Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002	L74899DL1999PLC101534	Holding Company	100%	2 (46) & (87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF/ Nominee of Body Corporate	-	100*	100	0.33%	-	100*	100	0.33%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	29,900	29,900	99.67%	-	29,900	29,900	99.67%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-

Board's Report (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A) (1):-	-	30,000	30,000	100%	-	30,000	30000	100%	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**30,000**	**30,000**	**100%**	**-**	**30,000**	**30,000**	**100%**	**-**
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)- Body Corporate	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	-	-	-	-	**-**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non-Resident Indians	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Sub-total (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**30,000**	**30,000**	**100%**	**-**	**30,000**	**30,000**	**100%**	**-**

* Mr. Dinesh Chandra Agarwal is nominee of Indiamart Intermesh Limited.

B. Shareholding of Promoter:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	
1.	Indiamart Intermesh Limited	29,900	99.67%	0%	29,900	99.67%	0%	-
2.	Mr. Dinesh Chandra Agarwal (Nominee of Indiamart Intermesh Limited)	100	0.33%	0%	100	0.33%	0%	-
Total		**30,000**	**100%**	**0%**	**30,000**	**100%**	**0%**	**-**

C. Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year [As on April 01, 2020]		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	30,000	100%	30,000	100%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
3	At the end of the year	30,000	100%	30,000	100%

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

E) Shareholding of Directors and Key Managerial Personnel: NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to other directors: NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

On behalf of the Board
For **Hello Trade Online Private Limited**

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

Place: Ghaziabad
Date: April 28, 2021

Independent Auditor's Report

To the Board of Directors of Hellotrade Online Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of Hellotrade Online Private Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31,2021, and the standalone Statement of Profit and Loss, including other comprehensive income, standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the period then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

(a) in the case of the standalone Balance Sheet, of the state of affairs of the Company as at March 31,2021

(b) in the case of the standalone Statement of Profit and Loss including other comprehensi ve income, of the loss for the period ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date; and

(d) In the case of the Statement of Changes in Equity, of the changes in equity for the period ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER PARAGRAPH

We refer accounting policy to the Financial Statement of the Company, wherein financial impact of COVID-19 on the operations of the company have been disclosed. Future operations of the Company will be subject to developments on COVID-19 front together with stability in the economy which are currently uncertain.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended at March 31,2021 These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial period ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that :

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqu alified as on March 31,2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial

ii. The Company has made provision, as required under the applicable law or accounting standards, For material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the Matters specified in paragraphs 3 and 4 of the order.

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLOTRADE ONLINE PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Hellotrade Online Private Limited ("the Company") as of at March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLOTRADE ONLINE PRIVATE LIMITED

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on Other Legal and Regulatory Requirements' section.

i. The Company has no Fixed Assets, hence clause 3(i)(a) to (c) of the order is not applicable to the company.

ii. In our opinion and according to the information and explanations given to us, the Company is not having any inventory. Accordingly clause 3(ii) of the Order is not applicable.

iii. (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly clauses 3(iii) (a) & (b) of the Order are not applicable.

(b) Since there are no such loans, the comments regarding repayment of the principal amount & interest due thereon and overdue amounts are not required.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company 's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. a. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become paya ble

b. There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute:

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and Company has not raised any term loans. Accordingly provisions of clause (ix) of the Order is not applicable on the Company.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion, and according to the information and explanations given to us, managerial remuneration has not been paid / provided. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company.

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence not commented upon.

xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Pankaj Jain
(Partner)
Membership No. 095412

Place: Delhi
Date: 28 April 2021

Balance Sheet
as at March 31, 2021

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

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Current assets			
Financial assets			
(i) Prepaid expenses	4	2	-
(ii) Cash and cash equivalents	5	21	38
(iii) Bank balances other than cash and cash equivalents	6	54	51
Total current assets		**77**	**89**
Total assets		**77**	**89**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	300	300
Other equity		(275)	(236)
Total equity		**25**	**64**
Current liabilities			
(i) Trade payables	7		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		52	25
Total current liabilities		**52**	**25**
Total liabilities		**52**	**25**
Total equity and liabilities		**77**	**89**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date : April 28, 2021

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Delhi
Date : April 28, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

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

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
INCOME:			
Other income	9	3	1
Total income		**3**	**1**
EXPENSES:			
Other expenses	10	42	42
Total expenses		**42**	**42**
Loss before tax		**(39)**	**(41)**
Income tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(39)**	**(41)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
		-	**-**
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive loss for the year		**(39)**	**(41)**
Earning per equity share:	11		
Basic/Dilutive loss per equity share		(1.29)	(1.37)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date : April 28, 2021

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Delhi
Date : April 28, 2021

Statement of Changes in Equity

for the year ended March 31, 2021

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

(A) EQUITY SHARE CAPITAL (REFER NOTE 8)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	**300**
Changes in equity share capital during the year	-
As at 31 March 2020	**300**
Changes in equity share capital during the year	-
As at 31 March 2021	**300**

(B) OTHER EQUITY (REFER NOTE 8)

Particulars	Reserve and Surplus	
	Retained earnings	Total
Balance as at 01 April 2019	**(195)**	**(195)**
Loss for the year	(41)	(41)
Balance as at 31 March 2020	**(236)**	**(236)**
Loss for the year	(39)	(39)
Balance as at 31 March 2021	**(275)**	**(275)**

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

As per our report of even date

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

per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date : April 28, 2021

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Delhi
Date : April 28, 2021

Standalone Statement of Cash Flows
for the year ended March 31, 2021

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
LOSS BEFORE TAX	(39)	(41)
Adjustments for:		
Interest income	(3)	(1)
Operating loss before working capital changes	**(42)**	**(42)**
MOVEMENT IN WORKING CAPITAL		
(Increase)/decrease in financial assets	(2)	-
Increase/(decrease) in trade and other payables	27	8
Cash generated from operations	**(17)**	**(34)**
Direct taxes paid (net of refunds)	-	-
Net cash generated/(used) in operating activities	**(17)**	**(34)**
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in fixed deposits with bank(having original maturity of more than three months)	(0)	(50)
Net cash used in investing activities	**(0)**	**(50)**
CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net (decrease) / increase in cash and cash equivalents	**(17)**	**(84)**
Cash and cash equivalents at the beginning of the year	**38**	**122**
Cash and cash equivalents at the end of the year	**21**	**38**
Components of cash and cash equivalents		
Cash on hand	-	**14**
Balances with banks:		
- On current accounts	21	24
Total cash and cash equivalents (refer note 4)	**21**	**38**
Summary of significant accounting policies		

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

per Pankaj Jain
Partner
Membership No.: 095412

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: New Delhi
Date : April 28, 2021

Place: Delhi
Date : April 28, 2021

Notes to the Financial Statements

for the year ended March 31, 2021

1. CORPORATE INFORMATION

Hello Trade Online Private Limited ("the Company") is a public company domiciled in India and was incorporated on July 03, 2008 under the provisions of the Companies Act applicable in India. The Company is authorized to engage in various business, including conducting domestic trade and international business facilitation, including sales, marketing, operational, technological, information processing and other trade and business related services. The registered office of the Company is located at 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 28 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The preparation of these financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.2 Summary of significant accounting policies

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

a) Statement of Compliance

The financial statements for the year ended 31 March 2021 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act 2013 ("the Act") (as amended from time to time).

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

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

b) Current versus non-current classification

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

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

c) Fair value measurement

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

(i) In the principal market for the asset or liability, or

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

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

Notes to the Financial Statements

for the year ended March 31, 2021

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

(ii) Level 2 — inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 — Unobservable inputs for the asset or liability reflecting Company's assumptions about pricing by market participants

For assets and liabilities that are recognised in the financial statements on fair value on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

- Disclosures for significant estimates and assumptions (Note 3)
- Disclosures for valuation methods and quantitative disclosure of fair value measurement hierarchy (Note 12)

d) Taxes

Current Income tax

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

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

Deferred Tax

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised, or the liability is settled, based

Notes to the Financial Statements

for the year ended March 31, 2021

on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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

Sales/ value added taxes/ Service tax/ Goods and service tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/ GST paid, except:

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

- When receivables and payables are stated with the amount of tax included

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

e) Provisions and contingent liabilities

Provisions

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

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

Contingent liabilities

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

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

f) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Debt instruments at amortised cost

- Debt instruments at fair value through other comprehensive income (FVTOCI)

- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the

Notes to the Financial Statements
for the year ended March 31, 2021

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

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

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

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

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

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

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

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

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

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include, share buyback obligation, trade payables, security deposits and other payables.

Subsequent measurement

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

Financial liabilities at fair value through Profit or Loss:

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

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

Loans and borrowings

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

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

Notes to the Financial Statements
for the year ended March 31, 2021

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

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

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

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

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

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

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

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

h) Cash and cash equivalents
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

i) Recently issued accounting pronouncements
On 24 March 2021, the Ministry of Corporate Affairs (MCA), notified amendments in Schedule III to the Companies Act, 2013 effective from 1 April 2021. Following are key amended provisions which may have impact on the presentation of standalone financial statement of the Company:

Balance sheet:
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables and capital work-in-progress.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:
- Additional disclosures relating to undisclosed income, Corporate Social Responsibility (CSR) and crypto or virtual currency specified under the head 'additional information' in the notes to the financial statements.

The Company is currently evaluating the impact of these amendment on its financial statements.

Notes to the Financial Statements

for the year ended March 31, 2021

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

Estimates and assumptions

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

Taxes

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

The Company has not recognised deferred tax assets on the unused tax losses.

Impact of COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue and cost, impact on leases, impact on investment in subsidiaries and associates and investment in other entities. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

Notes to the Financial Statements

for the year ended March 31, 2021

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

4 FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
Current (Unsecured, considered good unless otherwise stated)		
Prepaid expenses	2	-
Total	**2**	**-**

5 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Cash on hand	-	14
Balance with bank		
- On current accounts	21	24
Cash and cash equivalents as per statement of cash flows	**21**	**38**

Notes:

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

6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Deposits with		
- remaining maturity upto twelve months	54	51
Total	**54**	**51**

7 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
- Payable to micro, small and medium enterprises	-	-
- others	52	25
Total	**52**	**25**

8 EQUITY SHARE CAPITAL AND OTHER EQUITY

a) Equity share capital

	Number of shares	Amount
Authorised share capital		
At 01 April 2019	**60,000**	**600**
Increase/decrease during the year	-	-
At 31 March 2020	**60,000**	**600**
Increase/decrease during the year	-	-
At 31 March 2021	**60,000**	**600**
Issued share capital (subscribed and fully paid up)		
At 01 April 2019	**30,000**	**300**
Increase/decrease during the year	-	-
At 31 March 2020	**30,000**	**300**
Increase/decrease during the year	-	-
At 31 March 2021	**30,000**	**300**

Notes to the Financial Statements

for the year ended March 31, 2021

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

b) Terms/ rights attached to equity shares:

1) The Company has only one class of equity shares having a par value of INR. 10 per share. Each holder of equity is entitled to one vote per share.

2) In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding company

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	30,000	100%	30,000	100%

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	30,000	100%	30,000	100%

d) Other equity

	As at March 31, 2021	As at March 31, 2020
Retained earnings	(275)	(236)
Total other equity	**(275)**	**(236)**

9 OTHER INCOME

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income		
- on fixed deposit with banks	3	1
Total	**3**	**1**

10 OTHER EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal and professional fees	10	11
Rates and taxes	2	8
Bank charges	0	0
Auditor's remuneration	24	24
Subscription Fee	2	-
Conveyance / Admin expenses	4	-
Total	**42**	**42**

Payment to Auditors

	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:		
- Audit fee	24	24
	24	**24**

Notes to the Financial Statements

for the year ended March 31, 2021

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

11 EARNINGS PER SHARE

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

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Basic/Diluted		
Loss for the period / year	(39)	(31)
Weighted average number of equity shares in calculating basic EPS	30,000	30,000
Basic/Dilutive loss per equity share	**(1.29)**	**(1.04)**

12 FINANCIAL INSTRUMENTS

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

	As at March 31, 2021	As at March 31, 2020
Financial assets		
Measured at Amortised cost		
- Cash and cash equivalents	21	38
Total financial assets	21	38
Financial liabilities		
Measured at Amortised cost		
- Trade payables	52	25
Total financial liabilities	**52**	**25**

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

The carrying value of cash and cash equivalents and trade payables measured at amortised cost approximate their fair value.

13 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, and other equity reserves attributable to the equity holders of the parent. The Company manages its capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

14 FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Notes to the Financial Statements
for the year ended March 31, 2021

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

i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and bank balances, employee loans, financial assets carried at amortised cost and trade receivables.

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

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

Cash and cash equivalents

The Company holds cash and cash equivalents of INR 21.25 at 31 March 2021 (31 March 2020 : INR 37.93). The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. Bank balances are held with reputed and creditworthy banking institutions.

Credit exposure is also managed by counterparty limits for investment of surplus funds which is reviewed by the Management.

ii) Liquidity risk management

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

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

Maturities of financial liabilities

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

Contractual maturities of financial liabilities

31 March 2021	Within 1 year	Within 1 period to 5 periods	More than 5 periods	Total
Trade payables	25	-	-	25
	25	**-**	**-**	**25**

31 March 2020	Within 1 period	Within 1 period to 5 periods	More than 5 periods	Total
Trade payables	52	-	-	52
	52	**-**	**-**	**52**

15 RELATED PARTY TRANSACTIONS

a) Names of related parties and related party relationship

Holding Company	Indiamart Intermesh Limited
Key management personnel	Mr. Sudhir Gupta, Director
	Mr. Praveen Kumar Goel, Director
	Mr. Manoj Bhargava , Director
(b) Related party transactions	NIL

Notes to the Financial Statements

for the year ended March 31, 2021

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

16 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT 2006:

	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at end of accounting year		
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
	-	-

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

For and on behalf of the Board of Directors
Hello Trade Online Private Limited
CIN : U51909DL2008PTC180430

per Pankaj Jain
Partner
Membership No.: 095412

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: New Delhi
Date : April 28, 2021

Place: Delhi
Date : April 28, 2021